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TODAY: MONEY Technology Investing Page

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An Ashen Yeltsin Is Inaugurated

Fierce Chechen Offensive Creates a Mournful Tone

By Lee Hockstader
Washington Post Service

MOSCOW — A gaunt President Boris Yeltsin was inaugurated Friday as the first Russian leader elected in the post-Communist era in a strangely mournful ceremony, marred by his slurred delivery of the oath of office and overshadowed by a calamitous setback for Russian troops fighting separatist rebels in Chechnya.

The president, appearing in public for the first time since June 26, spent just 16 minutes on stage, delivered no inaugural remarks and barely acknowledged the other dignitaries around him before he walked slowly offstage, stiff-legged, ashen, unsmiling and alone.

Millions of Russians who watched the day's dramatic events on television were shocked no less by Mr. Yeltsin's drawn appearance and labored diction than by the fresh humiliation of Russian soldiers in Chechnya.

Before dawn Friday, the Chechens, who are fighting for independence from Moscow, managed to overrun heavily armed federal forces defending the main government building in the Chechen capital of Grozny. The building was mostly destroyed and was burning Friday evening.

It was the climax of a devastating counteroffensive launched Tuesday that has left more than 120 Russian troops dead, 400 wounded and 50 missing. Rebel and civilian casualties were unknown.

There were conflicting reports from Grozny about whether the rebels had also managed to capture the headquarters of the Federal Security Service, formerly the KGB, and the Interior Ministry.

Columns of Russian Army tanks and armor sent to Grozny to rescue the besieged forces in the city center were reported to be suffering heavy losses. The fighting is the worst since the beginning of the war in December 1994, when President Yeltsin sent 40,000 troops to try to crush the separatist uprising.

More than 30,000 people have died in the war, the large majority of them civilians.

In spite of the bloody news from Chechnya, the Kremlin went ahead with a gala luncheon banquet after the inauguration, in which Mr. Yeltsin sipped champagne and Prime Minister Viktor Chernomyrdin toasted his health.

That reminded some Russians of the coronation of the last czar, Nicholas II, in 1894. On that occasion, the monarch went ahead with an extravagant ball even after 1,000 people had been crushed and trampled to death in a frenzy during the outdoor coronation ritual.

Mr. Yeltsin was shown briefly on Russian television Friday evening, raising a glass and telling the 1,100 guests at the banquet in the Grand Kremlin Palace: "The people's support gives me the authority to act decisively and firmly. I shall use this honorable authority in the interest of all people living in Russia."

Anatoli Shabad, a former member of Parliament who watched the proceedings, said: "It was very strange to see the military authorities present there drinking champagne at the very moment when their forces are suffering heavy losses in Grozny. It is disgraceful, I would say."

Quoting Russia's most celebrated poet, Alexander Pushkin, Mr. Shabad added that the banquet was like "a feast amidst a plague."

Friday evening, Mr. Yeltsin condemned the Chechens' counteroffensive as "terrorism" and declared that Saturday would be an official day of

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Alexander Natruskin/Reuters

Boris Yeltsin and his protocol escort arriving at a Kremlin hall for the inaugural ceremony.

Dole Makes Decision; Running Mate Is Told

Candidate Keeps Choice Secret, Although Buzz Centers on Kemp

By Clifford Krauss
New York Times Service with Staff From Dispatches

SAN DIEGO — Bob Dole said Friday that he had decided on a running mate for the Republican presidential ticket and that he would announce his choice in his Kansas birthplace on Saturday.

Mr. Dole said his running mate — who was being notified late Friday — would join him in Russell, Kansas, from where the two would fly to the Republican Party convention in San Diego.

Mr. Dole gave no clue as to who his choice would be, other than to say the person would be "probably an 11" on a scale of 1 to 10.

The choice is especially important to the Republican ticket not only because of Mr. Dole's age — he turned 73 last month — but also because he needs to close the wide gap between him and President Bill Clinton. Mr. Dole is running 20 points behind the president in most opinion polls.

Dole campaign aides said the Kansan was considering former Housing Secretary Jack Kemp, Senator Connie Mack of Florida, Senator John McCain of Arizona, Governor John Engler of Michigan and former Governor Carroll Campbell of South Carolina.

But since Thursday, the closest attention has focused on Mr. Kemp. Republican sources said he had conferred with Dole campaign officials three times over a two-day period and had supplied detailed financial records and other material.

The two men have had a contentious relationship in recent years, but despite that, Mr. Dole was clearly willing to put aside their differences if he thought Mr. Kemp was the best choice to help win the White House in November, party sources said.

Mr. Dole is a politician who likes to spring surprises.

He has told aides that he would not have gone through with his dramatic decision to quit the Senate in June had the move been leaked to the press.

"Bob Dole may have been thinking about Kemp for the last three months and not told anyone," said former Senator Warren Rudman of New Hampshire, who is close to the candidate.

Republican sources said Mr. Kemp, 61, who decided not to run for president this year, was agonizing over whether

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Tyler Mallory/The Associated Press

Mr. Kemp beaming as he awaits word on vice presidential choice.

Immigrant Hunger Strikers Weaken in Paris

By Craig Whitney
New York Times Service

PARIS — The 19th-century neo-Gothic church of St. Bernard de la Chapelle is something of an anachronism in the heavily Muslim immigrant quarter known as La Goutte d'Or, redolent with the spices and ululating music of what used to be French North Africa.

But the colorful green robes hung out to dry on the church's entrance railing show that St. Bernard's, near Pigalle, has become the latest epicenter of an incendiary political issue in Europe these days: the struggle between authorities determined, in the face of high unemployment, to keep foreigners out and immigrants equally determined to stay.

About 300 immigrants, mostly from Africa and many of them resident in France for years, have been occupying the church since late June. Ten men among them have now been on a hunger strike, taking in nothing but fluids, for 36 days. On Friday, too weak to talk, they lay on mattresses in one of the church's side chapels.

"They'll stay on their hunger strike to the bitter end," said Doro Traore, a Mauritanian member of the group who, like them, has been given official notice to leave French territory immediately although he has lived and worked here for eight years.

Jean-Louis Debre, the French interior minister, is determined to apply the tough immigration laws put into place by his predecessor, Charles Pasqua, in 1994.

After going over the cases individually, he gave permission to stay to 48 of the protesters, mainly the parents of children who were born on French soil before the new law and who therefore were entitled to citizenship.

"The others have to understand that the law will be applied," Mr. Debre told the daily newspaper Le Figaro on

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2 Bombs at Italian Resorts Shatter Tradition That Nothing Happens in August

By Daniel Williams
Washington Post Service

ROME — Summer is Italy's tranquil season, almost comatose in fact. So the planting of two small pipe bombs on northern beaches this week has provoked a sense of shock, even betrayal.

Both devices were hidden in beach umbrellas at Adriatic resorts just west of Trieste — one at Lignano, the other at Bibione.

The first exploded, gashing the leg of a sunbather. The second was spotted by a passer-by and disarmed.

There has been no claim of responsibility in either incident, although investigators are said to be looking into a possible Mafia connection. Some police officials theorized that members of organized crime networks might be trying to frighten tourists at the Italian beaches and drive them to resorts in nearby Slovenia and Croatia, where they control casinos.

Finding those responsible will be difficult, investigators said. "We can't keep account of everyone who was in Lignano Saturday night eating a pizza," said Simone Purgato, a prosecutor in northeastern Italy.

In any event, fear of a tourist exodus prompted the mayor of Lignano, Stefano Trabalzo, to issue assurances that his city is "not Atlanta," where a fatal pipe bomb blast scarred the international spectacle.

Italian newspapers, finding it difficult to believe that the beach incidents have any logic behind them, are calling whoever planted the devices the "mad dynamiter."

The sense of menace strikes not only at Italy's tourist season but also at the precious Italian ritual of quiet Augusts at the beach.

Not only sandy shorelines, but also chic rocky isles like Capri, Ischia and Elba draw millions of Italians for languorous, monthlong stays. Families laze at the same resorts year after year, meet with the same friends and eat at the same waterfront restaurants.

To place a bomb on an Italian beach in August is like planting one in a crowded urban square. In August, the beach is Italy's piazza. Italy winds down almost completely as August approaches. No government crisis is permitted to extend beyond July. A crisis this year over an emergency spending cut was wrapped three weeks ago. Newspapers turn their attention to sex scandals and the goings-on of celebrities.

Last summer, the press focused on male nudity. This year, the sculpting of women's bodies is the theme, with newspapers detailing who has had breast-and-bun surgery and who has not. One starlet told a newspaper, "I've been remade and am proud of it!"

But the carefree atmosphere may have evaporated this season, at least on the northern Adriatic coast.

AGENDA

U.S. Smoker Wins Cancer Suit

JACKSONVILLE, Florida (AP) — A man who said he started smoking in 1947 and could not quit until he got cancer was awarded $750,000 Friday in a lawsuit against the makers of Lucky Strike cigarettes.

The jury said that the cigarettes were a defective product and that their makers were negligent for not telling people how dangerous they were. The plaintiff, Grady Carter, 66, had asked the jury for at least $1.5 million from the Brown & Williamson Tobacco Co.

The verdict battered the stock market, with Philip Morris shares falling 13 percent. (Page 10)

So far, in at least 19 tobacco liability suits, no tobacco company has paid a cent in damages.

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Emy Nurnberg/Reuters

GRILLED BY POLICE — The opposition leader Megawati Sukarnoputri coming home in Jakarta after questioning Friday. Page 4.

Nasdaq Market Censured For Years of Price Fixing

By Floyd Norris
New York Times Service

WASHINGTON — In only the third enforcement action against a major national stock market in the more than 60 years of federal securities regulation, the Securities and Exchange Commission has charged that prices were being fixed for years with impunity on the Nasdaq market, and it announced tough measures to end the practices.

The commission said late Thursday that officials of the National Association of Securities Dealers, the industry organization that is supposed to regulate the Nasdaq market, had known for years of practices that limited price competition among the dealers who dominated the Nasdaq market.

Nasdaq is the world's second-busiest stock market, after the New York Stock Exchange, and it has become the home for many hot stocks, notably such technology issues as Microsoft Corp. and Intel Corp.

When some dealers nonetheless tried to compete on the basis of price, the SEC said, they were discouraged through harassment and intimidation by other dealers. The commission said the dealers' association knew of such actions but did nothing to stop them.

The SEC chairman, Arthur Levitt Jr., said the commission had found a pattern of conduct in which brokers coordinated what they charged customers. "Investors paid too much, and received too little, when they bought and sold stock on Nasdaq," he said.

Mr. Levitt said the anti-competitive practices, far from being a secret, were routinely taught to new traders and became a part of expected behavior.

"Where was the NASD, the cop on the Nasdaq beat?" Mr. Levitt asked. "The NASD was not blind to these practices in the marketplace," he said. "It simply looked the other way."

A commission official estimated that investors in Nasdaq stocks had lost tens of millions of dollars in recent years as a result of the price-fixing.

The NASD is an organization that includes virtually all American brokerage firms. It is charged with regulating the Nasdaq market, which, unlike stock exchanges with trading floors, is essentially a computer system that links brokers, who generally make trades by telephone.

The word Nasdaq originally stood for National Association of Securities Dealers Automatic Quotation system, but that was dropped years ago.

The association accepted the censure

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Dow Jones	Trib Index
Down 32.18	Down 0.37%
5681.31	136.24

The Dollar

New York	Fri. close	previous close
DM	1.4778	1.4855
£Pound	1.5506	1.5429
Yen	108.265	107.945
FF	5.0555	5.0835

Newsstand Prices

Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1,600 CFA	Qatar	10.00 Riels
Egypt	£E 5	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Greece	350 Dr.	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1,250 Din
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1,250 JD	U.S. Mil. (Eur.)	$1.20

Thugwane Brings a New Kind of South African Gold

By Lynne Duke
Washington Post Service

BLINKPAN, South Africa — Josia Thugwane lives in a shack, as many black South Africans still do. He sweeps the floors of a bleak miners' hostel here, earning about $333 a month from a coal mining company that is largely staffed by blacks but owned and managed by whites.

But in a rare role reversal, the Koornfontein Coal Mine's top executive, a white man, this week became Mr. Thugwane's personal secretary, for the shy little maintenance man with the wide eyes and unassuming demeanor now is the unlikeliest of heroes for a brittle nation in search of inspiration.

Into his shack this week, Mr. Thugwane brought gold. He accomplished an Olympic feat in Atlanta like no black South African before him: a gold medal that made him South Africa's marathon man, a largely ignored underdog whom the local press had not even considered a possible contender.

After the mob-scene that greeted South Africa's five Olympic medal winners at Johannesburg's international airport, and after a raucous parade through the city center, Mr. Thugwane returned to the coal mine that sponsored his recent running career.

T-shirts call Mr. Thugwane the "rainbow runner," for that is what South Africa aspires to be: a rainbow nation where all colors are distinct but blend harmoniously. Of course, that is not yet the reality, as Mr. Thugwane's living and work status indicate. But for this ever-cynical nation, Mr. Thugwane has become a new rallying point, a model of humility and commitment to his sport that appears to transcend the usual racial and economic confines that are the defining features of a society still struggling for a new identity after decades of white minority rule.

Through the recent years of South Africa's tumultuous political transformation, Mr. Thugwane ran. He ran every morning and every evening in the stark terrain of this coal mining region about 112 miles (190 kilometers) east of Johannesburg.

Never bothering with the professional coaches who prepare other athletes of his caliber, Mr. Thugwane pressed himself to personal limits that only he could know. Other runners from the mine's team helped him develop. And when he became obsessive about his training, putting in longer hours than the rest, some of his fellows chided him for going too far. Now, they are bursting with pride.

With Mr. Thugwane's gold medal has come instant fame and glory, but also the demands of celebrity.

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Georges Gobet/Agence France-Presse

Josia Thugwane enjoying his Olympic victory.

AT&T

A New Complaint About Airline Food: There's Not Enough of It

By Edwin McDowell
New York Times Service

NEW YORK — When Trica Jean-Baptiste flew from Newark to New Orleans in April on business, she fended off hunger during her five-hour trip with a hot dog and bag of chips she bought at the Cincinnati airport before boarding her connecting flight.

"Otherwise I would have been famished," said Ms. Jean-Baptiste, the director of public relations for the Parker Meridien Hotel in Manhattan, "because food wasn't served on either one of the flights."

Welcome to domestic flying in 1996, a year marked not only by increasing passenger loads but by the incredible shrinking airline meal. And as food becomes harder to find on flights in the United States, hungry travelers may add its availability to their list of concerns when choosing an airline or route — right up there with fares, safety and frequent-flier miles.

Some airline passengers have been on forced diets since 1992, when the industry lost a record $4.79 billion and began reducing food costs. But the cutbacks are becoming more noticeable.

United Airlines, for example, last year extended to 501 miles (802 kilometers) from 251 miles the length of a flight before passengers are offered a snack, and lengthened to 701 from 501 the miles required for a hot meal.

Moreover, that policy is only for flights during meal hours. Otherwise, only a beverage is served on flights up to 899 miles — roughly the distance from New York to St. Louis — and only a snack, like a sandwich or fruit plate, for longer distances.

While the average airline trip is just under 1,000 miles, which would qualify passengers for a hot meal on most airlines, many flights connect at hub airports, breaking that 1,000-mile trip into two or more legs. Often, neither of those flights is long enough to qualify for a meal, so it is not uncommon for passengers to spend the better part of a day on a plane and in a terminal without being given much to eat.

Passengers flying USAir from Boston to San Francisco, with a plane change in Philadelphia, for example, will travel about 11 hours, through breakfast, lunch and dinner hours. But they will be served only lunch, on the last leg of the trip.

Whatever the airlines' revamped meal policies have done to shrink passengers' waistlines, they have had a perceptible impact on the carriers' bottom lines.

Last year, the industry's food bill of $2.261 billion was $368 million less than in 1992, according to the Air Transport Association, and food costs fell to 3.4 percent of operating expenses last year, from 4 percent in 1992.

Airlines spent roughly $4.45 on meals per passenger in 1995, down from about $5.60 in 1992. Not only have many carriers cut back on the frequency of meals, they have also saved money by serving chicken, pasta, sandwiches or salads, instead of former mainstays like steak or fish.

"A $368 million savings might not sound like a lot," said David Swierenga, chief economist for the Air Transport Association, "but after losing more than $13 billion through 1994, the industry was desperate to cut costs." Last year, after five consecutive losing years, industry net profits totaled $2.376 billion.

While many passengers are resigned to foodless flights, others remain disappointed that major carriers do not offer full meals.

On a recent flight from Atlanta to New York, Rick Bubenhoffer, director of marketing for Studio Plus Hotels in Lexington, Kentucky, had to make do with a sandwich and chips. "I can remember," he lamented, "when an airplane meal was really a meal."

But airlines say they hear relatively few complaints and that passengers are more concerned about lower fares or on-time performance.

Some passengers have not taken the changes lightly. Greg Davidowitch, a flight attendant with United for eight years, said: "It amazes me that passengers don't complain more to the airline, but they sure complain to us. I don't blame them. Where they used to have a choice of three hot entrées, now they're lucky to get a roll with a slice of ham or turkey."

Crew members often eat what the passengers are served — when there is time — so they feel the cutbacks, too. But crew members often bring their own food, Mr. Davidowitch said. "With the airlines cutting back on the quality, quantity and frequency of meals aboard, we often do brown-bag it," he said.

Olive Branch in Ulster

Londonderry Catholics Act to Ease Rift

Compiled by Our Staff From Dispatches

LONDONDERRY, Northern Ireland — Londonderry's Catholic majority agreed Friday to concessions aimed at defusing tension and the threat of sectarian violence in marches Friday night and Saturday.

They agreed to reroute a march Friday night to avoid a Protestant center in an attempt to avert trouble. And they offered to cancel a rally Saturday that would have coincided with a huge Protestant parade.

"We have agreed voluntarily to reroute this evening's march," the Bogside Residents' Group said in a statement. Bogside is the Roman Catholic area of Londonderry.

"It will now avoid all contentious areas, including the Diamond," it added, referring the area of central Londonderry close to the headquarters of the Apprentice Boys, the Protestant fraternal order set to march on Saturday.

The Catholics also offered to cancel a rally on Saturday in Londonderry on the condition that the Apprentice Boys, a loyalist fraternal order, arrange to reroute parades elsewhere in the province to accommodate Catholic demands.

The moves were seen as an olive branch being offered by the Catholics after they prevailed in a bitter dispute over whether the Protestant march should be allowed over a section of Londonderry's ancient wall abutting the Bogside.

The British government finally stepped into the fray on Wednesday and closed off the section of the wall at the heart of the controversy, infuriating the Protestants.

The Apprentice Boys traditionally take to the walls of Londonderry to celebrate the day in 1688 when their cry of "No surrender" rang out as 13 young apprentices shut the gates against advancing Catholic troops. Thousands died in the siege, but the city did not fall.

The same march in 1969 ignited 25 years of often-violent disputes over British rule in Northern Ireland.

Some 3,200 people have died in fighting between Protestants and Catholics and especially between the hard-line Irish Republican Army, Protestant extremists and British security forces.

New unrest this summer, following the breakdown of a 17-month IRA truce, has overshadowed faltering multiparty peace talks aimed at finding a political solution to the conflict in the province.

Gerry Adams, head of the IRA's political wing, appealed to the Catholics for discipline and said that "the organizers of the march should voluntarily reroute it from any area that could avoid offense to Unionists." *(AFP, AP)*

Ian Waldie/Reuters

British soldiers on Friday checking the barbed-wire barrier on the ancient walls surrounding Londonderry.

Search Goes On At Spanish Camp

The Associated Press

BIESCAS, Spain — Rescuers in rubber dinghies searched a reservoir Friday for victims of flash floods that washed away a campsite in the Pyrenees, killing at least 65 people, injuring 180 and leaving behind a twisted wreckage of camping vehicles and cars jutting from mud and boulders.

In the nearby ski resort of Jaca, an ice rink became a makeshift morgue after Wednesday's flooding at the Virgen de Las Nieves campsite, 24 kilometers (15 miles) south of the French border.

The bodies of 65 victims, most of them Spaniards, have been found, said Miguel Orduna of the Aragon regional government. Earlier, officials had reported more dead, but Mr. Orduna said Friday he could not confirm a higher figure.

Officials estimated that there were still 20 people unaccounted for. About 650 campers were at the site in the mountains near Biescas.

Survivors described how the camp, about the size of two football fields, suddenly was deluged with water, mud and rocks.

"The water came so quickly and with such force," said Edurne Aguado, who broke her foot in the flood. She and her boyfriend survived by clinging to the axle of an overturned car.

Ossie Clark Is Slain; A Top 60s Designer

The Associated Press

LONDON — Ossie Clark, one of the big names of 1960s fashion design, has been found stabbed to death in his London apartment.

Mr. Clark's body was discovered Wednesday and a man identified as Diego Cogolato, 28, has been arrested and charged with murder, the police said Thursday.

Mr. Clark, 54, became an icon in swinging 1960s London when Britain threw off the last of postwar austerity, eased its moral stays and became a world leader in fashion, rock music and youth culture.

His clients included Mick Jagger of the Rolling Stones, his ex-wife, Bianca, and Elizabeth Taylor.

Sir Frank Whittle Dies at 89, Inventor of the Jet Engine

Reuters

LONDON — Sir Frank Whittle, 89, the inventor of the jet engine, has died of lung cancer in Maryland, where he had lived since 1976, Britain's Royal Aeronautical Society said Friday.

Sir Frank, who came from a working class background, invented the jet engine in 1928 when he was a cadet in the Royal Air Force.

His work put Britain at the forefront of aircraft technology during the 1940s and 1950s, but he had to fight for recognition. British government bureaucrats at first called his invention, which Sir Frank patented in 1930, over-optimistic and they refused to develop it.

Herbert Huncke, 81, Prototypical Hipster

NEW YORK (NYT) — Herbert Huncke, 81, the charismatic street hustler, petty thief and perennial drug addict who enthralled and inspired a galaxy of acclaimed writers and gave the Beat Generation its name, died Thursday at Beth Israel Hospital in Manhattan of congestive heart failure.

Mr. Huncke became a hero to a generation of adoring artists and writers, as well as a reproach to a right-thinking, clean-living establishment that had long predicted his imminent demise.

Sweden Seeking U.S. Support For Baltic Integration Plan

By Nora Boustany
Washington Post Service

WASHINGTON — Prime Minister Goran Persson of Sweden has met with President Bill Clintonto seek his support for a five-part plan to babysit the Baltic Sea region until the expansion of NATO can include the Baltic states without upsetting Russia.

"The United States is working on ways to promote Baltic integration with the West without gratuitously provoking Russia," a key White House adviser said.

"And this is where the Swedes come in," said the Swedish ambassador to the United States, Henrik Liljegren.

"Security policy is not only about military force, but about coming together in mutual investment and trade," Mr. Persson said.

He also stressed interaction: "Just let it grow and let it involve Russia. Only then could we emerge as partners. We want them to be active and realize the only way to build security is to do it together."

Mr. Persson's strategy, as outlined to Mr. Clinton this week, involves five elements: more bilateral activities among countries in the Baltic area, such as training programs now under way in which Lithuanians and Estonians are learning from Danes and Swedes how to be peacekeepers in Bosnia; enhanced regional cooperation among all the Scandinavian and Baltic nations; eventual membership in the European Union for states on the Baltic; more programs for military training and border control under NATO's Partnership for Peace initiative, and increased dialogue with Russia.

The State Department spokesman, Nicholas Burns, said Washington was encouraged that Sweden was "taking the lead."

Mr. Persson said that President Clinton was happy that Richard Holbrooke, the former assistant secretary of state who negotiated the Dayton peace plan for Bosnia, was joining Mr. Persson's Baltic advisory board.

The Swede added that Mr. Clinton approved in principle FBI assistance to Baltic states to fight organized crime and illegal immigration.

10,000 Are Evacuated In Chinese Flooding

Reuters

BEIJING — Chinese authorities evacuated about 10,000 people and were preparing to blow up dikes to divert a swollen northern river to spare the city of Tianjin from flooding, officials said Friday.

The Haihe River and its tributaries were well above normal levels after heavy rain. More rain was expected in the area Saturday, weather officials said.

There were no new reports of casualties but heavy rains and widespread flooding in nine central and southern provinces have killed more than 2,000 people in recent weeks.

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BRIEFLY EUROPE

British Seek Clues In Train Collision

WATFORD, England — British investigators began searching Friday for clues to the head-on collision of two trains north of London during Thursday's rush hour.

A packed commuter train crashed into an empty train just south of Watford Junction station. One woman was killed and more than 60 people were injured. All but 13 were released from the hospital by Friday morning.

The government said that there would be two inquiries: one by Railtrack, the private company that owns Britain's railway infrastructure, and another by the state Health and Safety Executive. *(Reuters)*

Bosnia Grave Hunt Resuming Tuesday

SARAJEVO, Bosnia-Herzegovina — United Nations war crimes investigators will resume digging at suspected mass grave sites in eastern Bosnia next Tuesday, a UN spokesman said Friday. Work was suspended two weeks ago because the UN team did not have any dogs to sniff for mines around the sites.

The spokesman, Alexander Ivanko, said a Bosnian Serb ban on exhumation in the half of Bosnia under their control would have no effect on the UN work.

Investigators have recovered about 200 bodies from sites near Cerska and Nova Kasaba in Serb-held territory. Those are believed to be the remains of some of the 7,000 men who disappeared after Bosnian Serbs captured the Srebrenica enclave last summer. Many were shot in the head with their hands tied behind their back. *(AP)*

U.S. Aide in Serbia

BELGRADE — The top U.S. official on Bosnia, John Kornblum, met Friday with President Slobodan Milosevic of Serbia for talks in advance of a crucial summit of the three top Balkan leaders in Geneva next week.

Mr. Kornblum, the assistant secretary of state for European and Canadian affairs, arrived in Belgrade late Thursday from Sarajevo and met Mr. Milosevic. The U.S. mediator was in the Balkans to prepare the ground for a Balkan summit scheduled for Geneva next Wednesday. *(AFP)*

Arrest Is Opposed

ROME — A lawyer for an 84-year-old former SS officer, who injured himself jumping from a hotel terrace to avoid testifying against another former SS officer, said Friday he would seek to have his client's arrest order quashed.

Karl Hass, a former SS major, voluntarily came from Switzerland to testify against Erich Priebke, a former captain accused of a role in the 1944 massacre of 335 civilians in the Ardeatine caves near Rome. Mr. Hass was ordered arrested Thursday in connection with the same massacre.

Mr. Priebke admitted killing two victims and helping to keep a list of the others, but a military court last week absolved him of premeditation and cruelty, and ordered him freed. He was re-arrested later to give Germany a chance to seek his extradition. Mr. Hass is now under investigation in connection with the massacre, and German officials have said they are considering his extradition as well. *(AP)*

TRAVEL UPDATE

A Final Good-Bye To N.Y. Children's Zoo

NEW YORK (NYT) — New Yorkers wistful over the fate of the Central Park Children's Zoo will be invited Saturday to say a final good-bye to Jonah, the spouting cement whale, and his fairy-tale neighbors. Then, the Children's Zoo, long derided as a prime example of 1960s kitsch, will be demolished.

The zoo is getting a $6 million replacement, after protests and an unsuccessful lawsuit by preservationists. The old zoo was a gift from Herbert H. Lehman, the former governor, and his wife, Edith, in 1961.

"This is really a public farewell to what has been a very nice part of New York for a generation," said Parks Commissioner Henry J. Stern. The decision to open the zoo from 11 A.M. to 2 P.M. marks the first time in almost five years it will be open to the public.

Air France said Friday it was maintaining normal services despite a 48-hour strike through Saturday by a union representing cabin crew over pay and conditions. *(AFP)*

Flights between Venezuela and the United States were back in service Friday after suspensions and groundings bedeviled travelers and raised questions about airport safety. *(AP)*

RELIGIOUS SERVICES

AMSTERDAM

CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Service 10:00 a.m. & 11:30 a.m./ Kids Welcome. De Cuserstraat 3, S. Amsterdam Info. 020-641 8812 or 020-6451 653.

FRANCE/TOULOUSE

HOPE INTERNATIONAL CHURCH (Evangelical). 4, bd. de Plibrac, Colomer. Sunday service. 6:30 p.m.Tel.: 62.24.31.18.

FRENCH RIVIERA/CÔTE D'AZUR

NICE: Holy Trinity. (Anglican/ Episcopalian), 11 rue de la Buffa: Sunday Eucharist at 11 a.m.; Weekdays as on notice board. VENCE: St.Hugh's, ave. de la Résistance: Sunday Eucharist at 9 a.m. Contact Father Ken Letts 93 87 19 83.

MUNICH

INTERNATIONAL COMMUNITY CHURCH. Evangelical Bible Believing services in English 4:30 p.m. Sundays at Enhuberstr. 10 (U2 Theresienstr.) (089) 850-8617.

PARIS and SUBURBS

EMMANUEL BAPTIST CHURCH - An interdenominational fellowship in the heart of the western suburbs. 56, rue des Bons-Raisins, 92500 Rueil-Malmaison. Summer Schedule: 9:45 a.m. Worship, 11:00 Coffee hour. Contact Rev. Scott Steamman at 47.51.29.83.

HOPE INTERNATIONAL CHURCH Hotel Orion at Paris-la-Défense, 8 bd. de Neuilly. Worship Sundays 9:30 a.m. Rev. Douglas Miller, Pastor. Tel.: 43.33.04.06. Métro 1 to la Défense Esplanade.

SAINT JOSEPH'S CHURCH (Roman Catholic). MASS IN ENGLISH: Sat: 6:30 p.m.; Sun: 10:00 a.m., 12:00 noon, 6:30 p.m. 50, avenue Hoche, Paris 8th. Tel.: 42.27.28.58. Metro: Charles de Gaulle - Etoile.

ST. MICHAEL'S CHURCH (evangelical Anglican). Sundays 10:30 a.m. (with children's club and creche) and 6:30 p.m. Midweek study groups. Christ-centered fellowship in the heart of Paris. 5 rue d'Aguesseau, 75008. Tel.: 47.42.70.88. Metro: Concorde.

PORTUGAL/ALGARVE

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TOKYO

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TOKYO UNION CHURCH near Omotesando Subway Sta. Tel: 3400-0047. Worship Services: Sunday 10:00 a.m. only.

USA

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ZURICH-SWITZERLAND

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THE EPISCOPAL CHURCHES OF EUROPE (Anglican)

PARIS and SUBURBS

THE AMERICAN CATHEDRAL OF THE HOLY TRINITY, Sun. 9 & 11 a.m., 10:45 a.m. Sunday School for children and Nursery care. Third Sunday 5 p.m. Evensong. 23, avenue George V, Paris 75008. Tel.: 33/1 47 20 17 92. Metro: George V or Alma Marceau.

FLORENCE

ST. JAMES' CHURCH, Sun. 9 a.m. Rite I & 11 a.m. Rite II. Via Bernardo Rucellai 9, 50123, Florence, Italy. Tel.: 39/55 29 44 17.

FRANKFURT

CHURCH OF CHRIST THE KING (Episcopal/Anglican) Sun. Holy Communion 9 & 11 a.m. Sunday School and Nursery 10:45 a.m. Sebastian Rinz St. 22, 60323 Frankfurt, Germany. Ut. 2, 3 Miquel-Allee. Tel: 49/69 55 01 84.

GENEVA

EMMANUEL CHURCH, 1st & 3rd Sun. 10 a.m. Eucharist; 2nd & 4th Sun. Morning Prayer. 3 rue de Monthoux, 1201 Geneva, Switzerland. Tel.: 41/22 832 80 78.

MUNICH

THE CHURCH OF THE ASCENSION, Sun. 11:45 a.m. Holy Eucharist and Sunday School, Nursery Care provided. Seybothstrasse 4, 81545 Munich (Harlaching), Germany. Tel.: 49/89 64 81 85.

ROME

ST. PAUL'S WITHIN-THE-WALLS, Sun. 8:30 a.m. Holy Eucharist Rite I; 10:30 a.m. Choral Eucharist Rite II; 10:30 a.m. Church School for children & Nursery care provided; 1 p.m. Spanish Eucharist. Via Napoli 58, 00184 Rome. Tel.: 39/6 488 3339 or 39/6 474 3589.

BRUSSELS/WATERLOO

ALL SAINTS' CHURCH, 1st Sun. 9 & 11:15 a.m. Holy Eucharist with Children's Chapel at 11:15. All other Sundays: 11:15 a.m. Holy Eucharist and Sunday School. 563 Chaussée de Louvain, Ohain, Belgium. Tel. 32/2 384-3556.

WIESBADEN

THE CHURCH OF ST. AUGUSTINE OF CANTERBURY, Sun. 10 a.m. Family Eucharist. Frankfurter Strasse 3, Wiesbaden, Germany. Tel.: 49/611.30.66.74.

EUROPEAN BAPTIST CONVENTION

BERLIN

I.B.C., BERLIN, Rothenburg Str. 13, (Steglitz). Bible study 10.45, worship at 12.00 each Sunday. James Heflin, pastor. Tel.: 030-774-4670.

BONN/KÖLN

I.B.C. OF BONN/KÖLN, Rheinau Strasse 9, Köln. Worship 1:00 p.m. Calvin Hogue, Pastor. Tel.: (02236) 47021.

BREMEN

I.B.C. (English language) meets at Evangelish-Freikirchlich Kreuzgemeinde, Hohenlohestrasse Hermann-Bose-Str. (around the corner from the Bahnhof) sunday worship 17:00, Pastor Steve Sligh, Tel. 04791-12877.

BUCHAREST

I.B.C., Strada Popa Rusu 22. 3:00 p.m. Contact Pastor Mike Kemper, Tel. 312 3980.

BUDAPEST

I.B.C., meets in Morics Zsigmond Gimnazium, Torokvesz ut 48-54, Sundays, 10:00 Coffee Fellowship, 10:30 Worship. Take Bus 11 from Batthyany tar. Other meetings, call Pastor Bob Zbinden, Tel. 250-3932.

BULGARIA

I.B.C., World Trade Center, 36, Drahan Tzankov Blvd. Worship 11:00. James Duke, Pastor. Tel.: 668 666.

CELLE/HANNOVER

I.B.C., Windmulen Strasse 45, Celle 1300 Worship, 1400 Bible Study, Pastor James Wilson. Ph. (05141) 46416.

FRANKFURT

INTERNATIONAL CHRISTIAN FELLOWSHIP, Sodenerstr. 11-18, 65150 Bad Homburg. A friendly, Christ-centered, church serving the English-speaking community. Sunday Worship, S.S. & Nursery 09:45. Weekday Groups. Pastor, M.P. Levey. Call 06173-62728.

BETHEL I.B.C. Am Dachsberg 92 (English), Worship Sun. 11:00 a.m. and 6:00 p.m. Tel.: 069-549559.

HOLLAND

TRINITY INTERNATIONAL invites you to a Christ centered fellowship. Service in August 9:30 a.m. Bloemcamplaan 54, Wassenaar 070-517-8024 nursery prov.

KIEV

I.B.C. English Language Service. 10:00 at 3-a Tolstoga Str. (Metro same). Pastor George Hayner, ph. 518-8942.

LISBON

I.B.C. English-Language, First Floor Auditorio of Terceira Igreja Baptista (Third Baptist), Rua Filipe Folque, 36, 1050 Lisboa, 10:00 a.m. English-Language Class, 11:15 a.m. Worship Service, 12:15 Bible Study for all age groups, Near S. Sebastiao, Parque, Picoas and Saldahna Metro stations, Pastor Larry Ross, Tel: 849-9248.

MOSCOW

I.B.C. Meeting 1100; Kino Center Building 15 DruzDruzhinnikovskaya UL. 5th Floor, Hall 6, Metro Station Barrikadnaya Pastor Don Deel, Tel.: (095) 971 3558.

MUNICH

I.B.C. Holzstr. 9 English Language Services. Bible study 15:45. Worship Service 17:00. Pastor's phone: (089) 890 8534.

NICE - FRANCE

I.B.C. 13 rue Vernier, English service, Sunday evening 18:30, pastor Roy Miller - Tel.: (093) 320 596.

PRAGUE

INTERNATIONAL BAPTIST FELLOWSHIP meets at the Czech Baptist Church Vinohradske # 68, Prague 3. At metro stop Jiftroz Podebrad Sunday a.m. 11:00 Pastor: Al major, Tel.: (02) 311 7974.

WATERLOO

WATERLOO BAPTIST FELLOWSHIP Worship 1400 at Swedish Church, Chaussee de Charleroi 2 across from McDonalds. Tel.: (02) 353 1585.

ZURICH - SWITZERLAND

I.B.C of Zürich, Gheistrasse 31, 8803 Rüschlikon, Worship Services Sunday mornings 10:30. Tel.: 1-4810018.

ASSOC. OF INT'L CHURCHES

BERLIN

AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9:30 a.m., Worship 11 a.m. Tel.: 030-8132021.

FRANKFURT

TRINITY LUTHERAN CHURCH, Nibelungen Allee 54 (Across from Burger Hospital), Worship 11 a.m. w/Child care. Tel.: (069) 599478 or 512552.

GENEVA

EV. LUTHERAN CHURCH 20 rue Verdaine, Sunday worship 9:30. In German 11:00 in English. Tel: (022) 310.50.89.

JERUSALEM

LUTHERAN CHURCH of the Redeemer, Old City, Muristan Rd. English worship Sun. 9 a.m. All are welcome. Tel.: (02) 281-049.

PARIS

AMERICAN CHURCH IN PARIS. Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door, Metro Alma-Marceau or Invalides.

VIENNA

VIENNA COMMUNITY CHURCH, Sunday worship in English 11:30 A.M., Sunday school, nursery, international, all denominations welcome. Dorotheergasse 16, Vienna 1.

ZURICH

INTERNATIONAL PROTESTANT CHURCH English speaking, worship service, Sunday School & Nursery, Sundays 11:30 a.m., Schanzengasse 25. Tel.: (01) 2825525.

Imprimé par Offprint, 73 rue de l'Évangile, 75018 Paris.

تكذا من الأصل

New Debris Could Yield Vital Clues in Air Crash

Divers Seek Metal Baggage Container

By Don Van Natta Jr.
New York Times Service

NEW YORK — Scuba divers have collected hundreds of small pieces of wreckage from TWA Flight 800 that investigators suspect came from the fuselage beneath the front baggage compartment.

If their suspicion is confirmed, investigators will have another indication that the explosion that doomed the plane originated in that cargo hold.

The pieces of wreckage, some as small as a fist, were found in the debris area closest to New York City's Kennedy International Airport, an indication that they were among the first parts to come off the plane immediately after the explosion.

The cargo hold is of particular interest, because some investigators say they believe that a bomb in a piece of luggage there brought down the plane.

None of the plane's underbelly has been found in the other areas of debris, they said.

Divers are also hunting for a large metal baggage container, the last of four that had stored luggage in the forward hold. Three other bins have been found. No residue from a bomb was found on any of them.

Law-enforcement officials said they wanted to examine the fourth container for pitting and test the metal for residue from explosives.

"It could be the most important thing we will find," a senior investigator said. "A bomb blast does not leave residue all over everything. It leaves residue in a very small space."

Flight 800 exploded and plunged into the Atlantic 11½ minutes after leaving Kennedy for Paris on July 17. All 230 people on board were killed.

Since last weekend, investigators have focused much of their attention on what they call Debris Field 3, an area of the ocean floor with wreckage closest to the airport. The first pieces of aircraft, and some suitcases, fell there immediately after the initial explosion.

"Obviously, things that come off early are of some interest," said Robert Francis, the vice chairman of the National Transportation Safety Board.

Technical experts scanning the westernmost edge of the crash site with sonar and laser probes have been finding fragments of the fuselage that are generally much smaller than those found in the heart of the crash site. Also scattered on the sandy bottom are pieces of luggage.

Those findings bolster the theory that an explosion in a forward cargo bay might have blown out the belly of the plane, presumably below the forward hold that contained luggage, officials said.

The underwater discovery of smaller pieces to the west is consistent with early analysis of the disintegration of the jumbo jet, members of the search team said.

Radar traces showed "a whole bunch of little stuff falling" west of the main debris fields, one expert involved in the search said. "That's what we're focusing on."

Rear Admiral Edward Kristensen said the navy was moving the salvage vessel Grapple to the area. The ship has nearly finished raising the large pieces of the front of the airplane. Investigators said they expected the addition of its divers and large underwater robot would speed the collection of debris in Area 3.

The underwater robot, equipped with two mechanical arms and operated by continuous shifts of pilots, can work 24 hours a day, picking up small pieces and placing them in the baskets, Admiral Kristensen said.

The Associated Press

A technician examining a tangle of wiring recovered from the cockpit of the doomed TWA Flight 800.

■ French Families Seek Inquiry

Two French families whose children died in the explosion of TWA Flight 800 have asked French authorities to open a murder investigation into the case, the families' lawyer said, according to an Associated Press report from the French city of Clermont-Ferrand.

The parents of Alexandre Estival, 16, Noemie Richter, 15, and Anne-Lyse Richter, 17, want a French prosecutor to look into the blast that brought down the Paris-bound flight because they feel they've been "left out of the investigations," the lawyer said.

Gilles-Jean Portejoie said that Norbert-Franck and Michelle Richter, Marie-Claude Roux-Estival and Michel Estival want "the light to shine on the causes and circumstances of the catastrophe so that all the responsibilities be clear under the province of an open investigation on French territory."

The families formally requested the inquiry under international and French laws allowing France to investigate the deaths of its citizens aboard international flights.

Some Whites Genetically Resist AIDS, Experts Find

By David Brown
Washington Post Service

WASHINGTON — Two teams of researchers, working separately, have found evidence that a small fraction of the white population may be genetically impervious to infection by the AIDS virus.

The findings confirm the real-world importance of recent laboratory discoveries about the way the virus enters cells.

More significant, it points the way toward a potentially useful target for future drugs.

Both teams focused on the CCR-5 receptor, a protein on the surface of the cells of the human immune system that is one of two targets of infection by human immunodeficiency virus (HIV). The receptor functions as a docking bay that the virus must enter before injecting its genetic material into the cell — the crucial act of infection.

Coming at the subject from different directions, the two research groups concluded that about 1 percent of white people of European ancestry lack the gene necessary to make the CCR-5 receptor. This "mutant state" appears to confer protection against infection by HIV.

One group, headed by Nathaniel R. Landau at the Rockefeller University in New York, studied two men who had been frequently exposed to the AIDS virus but did not contract it. Both were members of the 1-percent mutant population.

The other team, headed by Marc Parmentier at the Free University of Brussels, found no such cases among more than 700 HIV-infected European men.

The Belgian researchers did not find the mutation in blood samples from 124 uninfected people from West Africa, Central Africa and in 248 uninfected Japanese.

This circumstance of people being exposed to HIV but not acquiring it is not limited to whites.

The New York study was published Friday in the journal Cell. The Belgian work will be published this month in Nature.

POLITICAL NOTES

Another Potshot

NEW YORK — Did Representative Susan Molinari smoke marijuana or didn't she?

Two weeks ago, the designated keynote speaker at the Republican National Convention confessed to "experimenting" with marijuana in her youth.

But a New York cable television station is broadcasting a 1992 interview in which she denied doing any such thing. The New York representative's spokesman, James Mazzarella, protested the airing of the 1992 interview.

"It's frankly ridiculous," he said, "considering the congresswoman has come clean about prior marijuana use, that anyone would find this in the least bit interesting." *(AP)*

The Balance Sheets

WASHINGTON — Republican Party committees raised $180 million in the first 18 months of this election cycle, compared with $102 million raised by the Democratic National Committee and the party's congressional arms, the Federal Election Commission reported.

The commission said recent disclosure reports showed that the Republicans had a 50 percent increase in 1995-96 receipts compared with the same period two years earlier, before Republicans gained control of Congress, and 51 percent over the 1992 election.

But Democrats, while they lagged in dollars, increased their fund-raising by 77 percent over the previous cycle and 163 percent since 1992, the last presidential election year. *(WP)*

A Parting Shot

SALINAS, California — Savoring a last moment in the California spotlight before the Republican National Convention takes center stage, President Bill Clinton ridiculed Bob Dole's sweeping plan for $548 billion in tax cuts over the next six years and promised that he himself would not offer any tax cuts that jeopardized a balancing of the federal budget.

Mr. Clinton never mentioned his Republican opponent by name. But he told his audience: "You'll hear a lot of talk between now and November about tax cuts and how much we should have and whether we can afford them, and they all sound good."

"It's like going to the candy store," Mr. Clinton said. "You know, 'I'll have some of that and some of that and some of that and some of that.' But if you eat it all at once, you might get sick."

The president held out as a counterpoint his own proposals for tax credits for specific purposes like community-college tuition, and implied that Mr. Dole's approach would jeopardize programs like Medicare and Medicaid. *(NYT)*

Her Turn to Shine

SAN DIEGO — As delegates arrive for the Republican National Convention, they are greeted at the airport by three welcoming banners and three movie poster-sized pictures of Mayor Susan Golding.

Along with giving San Diego the attention it has long craved, the convention affords an opportunity nonpareil for its Republican mayor, whose name is being circulated by insiders as a possible candidate in 1998 for governor or for the Senate seat held by Democrat Barbara Boxer.

"This is Susan Golding's moment in the sun," said one analyst. *(LAT)*

Quote/Unquote

Jack Kemp, asked what Bob Dole should be looking for in a running mate after he became a leading contender for the spot: "It's not up to Jack Kemp to give Bob Dole any advice. That would come as an oxymoron." *(AP)*

Christian Right 'Arms' for Convention

By Carey Goldberg
New York Times Service

SAN DIEGO — They have a "war room." They have "rapid response capability." They have 102 crack "whips" to ensure coordination and discipline.

And best of all, leaders of the Christian Coalition say, they have the technological weapons — a hot new wireless, digital paging system — to give them tactical superiority at the Republican National Convention that opens here on Monday.

"Our goal was to have the largest number of religious conservatives ever on the floor of a national convention," said Ralph Reed, executive director of the coalition, "and to have those delegates linked in a sophisticated high-tech communications system that would be real time and instantaneous."

The system was still being field-tested as the Republicans got ready to nominate Bob Dole for president. But while other party factions make do with the usual frenzy of scampering runners and semaphoric hand signals, the Christian Coalition's floor whips expect to have an advantage with their hand-held computers in constant contact with a command center.

The whips' small computers, called personal digital assistants, use a newly approved wireless frequency and can get around the traffic jams created by conventional cellular phones. The system will use software specifically designed for the coalition.

The technical concept is simple enough, but it appears that no other group came up with it, at least not in time to put it in motion.

"I don't think anyone was thinking as far ahead or on this scale of planning," Mr. Reed said.

The coalition's planning and commitment of resources to the convention has, in fact, been so far ahead and on such a scale that the results are reflected in much more than technology. The group labored intensively at state conventions to get its delegates elected — like-minded opponents of abortion as well as its own members and staff assistants — and has budgeted about $750,000 for its overall convention efforts, Mr. Reed said.

Partly because of pre-convention maneuvering, too, the Platform Committee of the convention has a far greater proportion of abortion opponents than the Republican Party at large.

Still, all this technological girding for battle may go unused because there may not be any dispute on the convention floor requiring such high-tech weapons. Party leaders found a way to avoid a divisive floor fight over abortion with their agreement to include an appendix to the platform that gives the minority view supporting abortion rights.

Christian Coalition officials are eager to run it through its paces. The coalition says members and supporters number 500 among the 3,980 delegates.

Away From Politics

• **The nationwide rate** of violent crime by juveniles fell slightly last year for the first time in almost a decade and the rate of homicide by juveniles decreased for the second successive year, down by 15.2 percent, Attorney General Janet Reno announced. *(NYT)*

• **Steven Hatch,** the Oklahoma drifter who was convicted of the murders of a minister and his wife, was executed by lethal injection as Brooks Douglass and Leslie Frizzell, the victims' son and daughter, watched. In Arkansas, meanwhile, a murderer who converted to Buddhism was executed despite pleas for mercy from, among others, Mother Teresa and the Dalai Lama. *(AP)*

• **Cardinal John O'Connor** of New York is urging Roman Catholics to return to the practice of not eating meat on Fridays as a protest if Congress fails to override President Bill Clinton's veto of a bill that would have outlawed late-term abortions. *(NYT)*

• **Ron Carey,** the president of the Teamsters union, has appointed a trustee to take over a 10,000-member Chicago local after a review board appointed by a court found that an officer there and his family were running the local to their benefit. *(AP)*

BOOKS

BETTELHEIM: A Life and a Legacy

By Nina Sutton. Translated from the French by David Sharp. 606 pages. $35. Basic Books.

Reviewed by
Claire Douglas

TO a contemporary sensibility, Bruno Bettelheim's message is far more appealing than his complex and troubling character. Like many popular leaders of the postwar years, Bettelheim (1902-1990) sought an end to the war and violence he had experienced. He taught that if children had their basic needs met and were brought up with firm but loving kindness and deep honesty, then human suffering could markedly decrease. He envisioned a better world and seemed to create its prototype at the University of Chicago's Orthogenic School — but it was a world that his own tortured and torturing life belied.

Bettelheim grew up Jewish in Vienna, gained a doctorate in philosophy and underwent analysis while helping run his father's lumber business. During World War II, he suffered profound trauma in Nazi concentration camps; after the war he emigrated to the United States, divorced, married again, taught, joined the psychoanalytic community in Chicago to head the Orthogenic School for deeply disturbed children and had three children of his own.

He retired after 30 years, returned to teaching again in northern California, became a widower, made two more disastrous moves. At 87, ill and harried by depression, he committed suicide a month after moving into an old people's home near his daughter in Washington, D.C.

His biographer, Nina Sutton, has produced a well-researched psychobiography that makes engrossing reading.

In his long, productive, difficult life, Bettelheim wrote many articles and books about the upbringing, treatment and healing of children, the psychotherapeutic benefit of fairy tales, Freud and psychoanalysis, and the interpretation of the Holocaust and his own experiences in the camps. He was a gifted, even brilliant therapist, who treated traumatized children with immense tact and care; he was also an autocratic, arrogant, sometimes brutal teacher, and — to Sutton's (and the reader's) great dismay — it turns out he occasionally struck the children at his school.

Sutton describes the many ways in which Bettelheim's writing and reality revealed the "yawning gulf between theory and practice that existed in Bettelheim's institution." She indicts him for claiming a closer connection with the Freudian community in Vienna than he really had and for annexing one of his first wife's patients as a spurious foundation for his own work. Not content to let his remarkable life and work speak for themselves, Bettelheim continually befogged reality with exaggeration or outright lies.

Sutton goes to great lengths to probe the reasons behind this schism, concluding that Bettelheim's self-hate lay at its base, a self-hate which developed from his mother's rejection coupled with the shame-inducing effect of his concentration camp experiences. It was as if Bettelheim's own unconscious contained an inner Nazi who smashed through to reproduce some of the chaos, shock and terror he had suffered. He did this, externally, with his pupils and patients and, internally, by turning his anger inward into depression and bouts of murderous self-contempt. Increasingly, as Bettelheim aged, the authoritarian patriarch blasted the tender psyche he so valued.

The book's fascinating subtext concerns Sutton's disillusionment and sense of betrayal when her research forced her to face the reality of Bettelheim's life and dashed the utopian promise he seemed to offer.

She criticizes Bettelheim, not because of his life work, but because he was none of the things she (along with many of his readers and students) wanted him to be. She more justly faults him because he tarnished his own remarkable work by lies and half truths. Instead of the good father, his biographer discovered and presents a multifaceted, deeply flawed and wounded human being who is far more interesting and elusive.

Claire Douglas, a Jungian analyst and a clinical psychologist, wrote this for The Washington Post.

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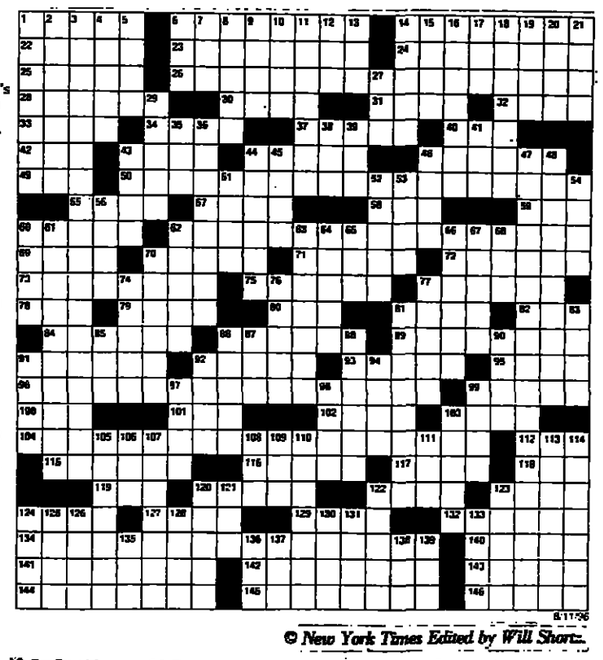
THE CRITICS AGREE By Martin Schneider



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121 Uris book, with "The"
122 Batman's home
123 U.N.'s U ——
124 "Julius Caesar" has five
125 "—— thou eaten of the tree?": Genesis
126 Winged
128 Sundance Film Festival locale
130 Newts
131 Jurist Robert ——
133 Ballet movement
135 Turn-of-the-millennium date
136 Crunches work them
137 Org. in the Mapplethorpe flap
138 "How —— love thee?"
139 Lawyer: Abbr.

8/17/96

Solution to Puzzle of Aug. 3-4

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8-8-96

Police Question Megawati for 6 Hours

Compiled by Our Staff From Dispatches

JAKARTA — Police questioned the opposition leader Megawati Sukarnoputri for more than six hours Friday, and afterward she said she had been told to return for more Thursday.

"I have been summoned again on Aug. 15 for additional questioning," Mrs. Megawati said at her home after returning from police headquarters in Jakarta. She declined to give details on the questioning but said she planned to attend the second session.

Her lawyer, R.O. Tambunan, who was present during the questioning, said that Mrs. Megawati had blamed attempts to unseat her as leader of the opposition Indonesian Democratic Party for rioting on July 27 that killed at least four people.

Mr. Tambunan said the police allowed Mrs. Megawati several breaks for rest, lunch and Friday prayers. Mrs. Megawati is a Muslim.

The government has blamed the People's Democratic Party, an outlawed radical group that it said had infiltrated Mrs. Megawati's supporters, for the riots.

Mrs. Megawati denied knowing anything about Budiman Sujatmiko, the fugitive leader of the People's Democrats, who is accused of inciting the violence, Mr. Tambunan said.

"Megawati does not know Budiman," her lawyer said. "She has never even met him."

The riots erupted after the police stormed the Indonesian Democratic Party headquarters in Jakarta and evicted Megawati loyalists who had barricaded themselves in the building to prevent a takeover by a government-backed party faction.

The authorities have said that the People's Democrats used monthlong protests at the headquarters of Mrs. Megawati's party to spread hatred against President Suharto and the government.

But Mr. Tambunan said Mrs. Megawati had told the police that she had no link with the radical party.

"She told the police she had issued instructions that there was to be no reference to the president, the army's role in politics and racial issues during the protests," he said.

Mrs. Megawati agreed to the questioning Friday after police issued an amended order saying they wanted to ask about Mr. Sujatmiko.

"Sometimes the police deviated from their main topic and tried to ask her other questions, which she refused to answer," Mr. Tambunan said.

During the questioning, about 200 police officers with sticks and dogs maintained a cordon 50 meters from police headquarters and a helicopter circled overhead. About 50 supporters of Mrs. Megawati's were on hand, some wearing ribbons of red and white, the colors of the Indonesian flag, pinned to their shirts.

The People's Democratic Party said Friday that four of its members had been taken into police custody after the riots and that it expected that they would be charged with subversion, which is punishable by death in Indonesia.

Mrs. Megawati, the daughter of Indonesia's founder, President Sukarno, became a rallying point for dissent after she was deposed as party leader by the government-backed faction in June.

On Wednesday, her supporters filed a criminal complaint against Mr. Surjadi, the deputy speaker of Parliament, who was chosen to replace her as party chief. The complaint named four other people. *(Reuters, AFP, AP)*

Robert Ng/The Associated Press

GOING HOME — Nguyen Xuan Dung, the 50,000th Vietnamese to be repatriated voluntarily from Hong Kong, waving to reporters before boarding a Hanoi-bound plane Friday at Hong Kong airport. One of the 310 Vietnamese on the flight escaped from the airport.

U.K. Kowtows In Hong Kong, Legislator Says

Agence France-Presse

HONG KONG — Britain has "decided to kowtow" to China in Hong Kong by agreeing to sideline Governor Chris Patten and make no decisions on its own for the colony's future, a pro-democracy lawmaker charged Friday.

The British are not going to do anything in Hong Kong except with the agreement of China, said Martin Lee, the legislator who heads the Democratic Party.

He said Britain was allowing Mr. Patten "to continue to shout in Hong Kong," but was in fact ignoring him to work out a deal on the ceremonies for Hong Kong's handover to Chinese rule in July.

Mr. Lee spoke as China's Preparatory Committee for the transfer of sovereignty started a two-day meeting in Beijing to set rules on forming Hong Kong's post-1997 government. The panel was expected to set criteria for appointing 400 members to a selection committee, which in turn will elect the head of Hong Kong's post-1997 government and a new legislature.

Qian Qichen, the Chinese vice prime minister who is the chairman of the preparatory committee, said a "comparative consensus" on the appointments had been reached, the Xinhua press agency reported.

China intends to scrap the current elected Legislative Council, which was elected under democratic reforms Mr. Patten introduced over Beijing's opposition. Mr. Patten has been shunned by Chinese leaders ever since.

The Chinese government re-emphasized its low regard for Mr. Patten on Friday with a report in the Ming Pao newspaper that Beijing would not allow him to officiate at the ceremony marking Hong Kong's return to Chinese sovereignty.

BRIEFLY ASIA

Japanese Aide Apologizes to Koreans

TOKYO — A cabinet minister apologized Friday for suggesting that armed groups of ethnic Koreans in Japan could pose a security threat.

The chief cabinet secretary, Seiroku Kajiyama, telephoned the South Korean ambassador, Kim Tae Zhee, and told him that his comments at a business seminar Thursday had been inappropriate, officials said.

Mr. Kajiyama had said that trouble on the Korean Peninsula could create a "grave situation" in Japan. According to a partial transcript, he said: "For example, a large number of refugees might come and some of them could merely be disguised as refugees."

"What if they were provided with weapons?" he asked. "They have support organizations in Japan, for both the North and the South. If they started fighting each other, how could Japan's Self Defense Forces fight?" In Seoul, the Foreign Ministry criticized the remarks *(Reuters)*

A Call for Thai Leader to Resign

BANGKOK — A member of Prime Minister Banharn Silpa-Archa's seven-party coalition government has called on the Thai leader to resign over an alleged impropriety concerning banking licenses.

Mr. Banharn declined Friday to comment on the call from Justice Minister Chalerm Yubamrung, who said Thursday Mr. Banharn should resign because of allegations that business groups had to pay several hundred million baht to obtain banking licenses. *(Reuters)*

Rightists Back Off Over Lighthouse

TOKYO — The authorities said Friday that rightists seeking to assert the country's claim to the Senkakus Islands by building a lighthouse there had abandoned a bid to have the structure formally recognized.

"The group withdrew its claim for official recognition of the lighthouse from the government," a spokesman for the Maritime Safety Agency said. The lighthouse was damaged in a typhoon. The islands, in South China Sea, are also claimed by China and Taiwan. *(Reuters)*

For the Record

Cambodia's information minister, Ieng Mouly, said he believed Ieng Sary, a former brother-in-law of Pol Pot, was trying to break with Khmer Rouge hard-liners and form an independent group. *(Reuters)*

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Diplomacy, Netanyahu Style: No Place for Foreign Ministry Diplomats

By Neil MacFarquhar
New York Times Service

JERUSALEM — Sweeping through the grounds of King Hussein's palace in Amman this week, Prime Minister Benjamin Netanyahu of Israel was accompanied by a retinue of about 25 senior aides and Israeli businessmen that was remarkable for one glaring omission. Not a single representative of the Israeli Foreign Ministry was present, aside from the departing ambassador.

The slight helped provoke a public mudslinging festival between the prime minister's office and the Foreign Ministry, something of a tradition in Israel. More important, it underscored how Mr. Netanyahu retains unprecedented control over government policy even by Israeli standards, formulating plans within a small group of aides known more for their loyalty than for their experience.

"The old joke here is that the prime minister's office made foreign policy and the foreign minister carried it out, but that is not even true in this case," said Joseph Alpher, head of the Israel/Middle East office of the American Jewish Committee. "It is a striking characteristic of Netanyahu's staff that they are by and large people who have no significant policy experience, but they are completely loyal to him and to the kind of highly centralized operation he favors."

Likud loyalists admit that Mr. Netanyahu, aside from his longstanding personal animosity toward Foreign Minister David Levy, mistrusts the ability of the ministry to relinquish the vision of its former boss, the Labor leader Shimon Peres.

"The prime minister believes that the professionals in the Foreign Office are very much to the left and agree with the policies of the previous government," said a Likud member of Parliament. Most members of the Likud coalition, not wanting to get caught up in the fight between the prime minister and the foreign minister, either declined to comment or spoke on condition of anonymity.

In a vain attempt to quiet the complaints, Mr. Netanyahu went on television this week to remind everyone that he was the first Israeli prime minister to be chosen by direct election.

"I was elected in personal elections in order to promote a certain policy, and the heart of the policy s the Palestinian issue," he said. "I mean to control it in partnership with the foreign minister, but I mean to lead. There is only one prime minister."

Mr. Levy's camp responded with rumblings about his leaving the government. Before the elections in May, Mr. Netanyahu and Mr. Levy, his longtime, unsuccessful rival to head Likud, forged a marriage of convenience in order to unseat the Labor government.

"In Israel, foreign ministers are not appointed because of their qualifications but because of their political leverage," said Shlomo Ben-Ami, a Labor member of Parliament and former ambassador to Spain, noting that Mr. Levy got his post in a political quid pro quo.

Netanyahu retains unprecedented control over government policy even by Israeli standards, formulating plans within a small group of aides.

Mr. Levy has a strong power base among Jews of Middle Eastern, especially Moroccan, origin. There is a social gap with Jews of Eastern European descent, which in the Likud takes the form of grumbling that a man who does not speak English, like Mr. Levy, should not be foreign minister.

But if he pulled his five members of Parliament out of the governing coalition he might be able to force Mr. Netanyahu into a tortuous attempt to form a new government.

The tiff this week flared over negotiations with the Palestinians. As the only member of Mr. Netanyahu's cabinet ever to have met with Yasser Arafat, Mr. Levy sought to be overall coordinator of the many strands of the talks. But that was a position Mr. Netanyahu planned to fill with one of his own aides.

There was also the matter of the way the Foreign Ministry was being treated. Diplomats said that besides leaving its experts at home during his regional trips, the prime minister's office did not provide transcripts of telephone conversations with foreign leaders.

[Dore Gold, Mr. Netanyahu's foreign policy adviser, secretly visited Egypt on Thursday and was briefed by officials there on Syria's positions in Mideast peace talks, Israeli media reported Friday, according to the Associated Press. The prime minister's office had no immediate comment.]

The animosity between the two is personal as well as professional. In the bitter fight over the Likud leadership in early 1993, Mr. Netanyahu strongly suggested that Mr. Levy planted the story of a salacious videotape that led Mr. Netanyahu to confess, on television, to adultery.

Their differences seem to stem more from questions of prestige than of policy.

"It is unthinkable that the crucial issues of foreign policy wouldn't be done by the foreign minister with the right qualifications," said Michael Kleiner, a member of Parliament from Mr. Levy's party.

Right after the election, Mr. Netanyahu also heralded the formation of a National Security Council, but foreign policy experts said that Mr. Netanyahu, or Bibi, as he is widely known, had trouble recruiting because of his reputation for making his own decisions.

"Bibi is a National Security Council of one with a personal staff," said Mark Heller, a senior research associate at the Jaffee Center for Strategic Studies at Tel Aviv University.

The real test of Mr. Netanyahu's foreign policy will come when he starts negotiating with the Palestinians. Aside from such highly sensitive issues as Jerusalem, the next round should decide such issues as how much of the 70 percent of the West Bank that Israel still controls will eventually come under Palestinian sovereignty.

"The real question is Bibi himself," Mr. Heller said.

Jim Hollander-Reuters

Mr. Netanyahu being briefed at a cabinet meeting while Mr. Levy's chair sits empty.

Levy Stays Away From Meeting of Cabinet

The Associated Press

JERUSALEM — Foreign Minister David Levy stayed away from Friday's weekly cabinet meeting, signaling that the rift between him and Prime Minister Benjamin Netanyahu was deepening.

Israeli newspapers quoted Levy aides as saying that he may resign because he feels shut out of Mideast peace talks but that he had no plans to quit the coalition government.

His absence from Friday's meeting was the second public protest Mr. Levy has made this week.

On Wednesday, he stayed home after Mr. Netanyahu took a large entourage to Jordan, but failed to include any Foreign Ministry officials.

YELTSIN: *President Subdued at Inaugural Rites in the Kremlin*

Continued from Page 1

mourning for the dead.

Many Russians who watched Mr. Yeltsin take the oath of office for his second term were struck by his pallor and labored diction, which some likened to the stumbling performances in the 1970s by the ailing Leonid Brezhnev.

In most other respects, however, Friday's ceremony was a departure from Soviet traditions, reflecting a conscious effort by Kremlin organizers to evoke czarist traditions of the Russian Empire.

The half-hour inauguration began with a honor guard turned out in czarist-era military uniforms with white gloves, gold braid, epaulets and high hats.

Somewhat incongruously, this ornate honor guard goose-stepped down the center aisle of the palace, a Soviet edifice built during the time of Nikita Khrushchev, opening in 1961.

They were followed by two more soldiers, similarly attired and bearing a ceremonial copy of Russia's 1993 constitution and a small cross of gold, silver and enamel symbolizing the power of the presidency.

A handful of dignitaries took their places on the stage — Mr. Chernomyrdin; the Constitutional Court chairman, Vladimir Tumanov; leaders of Parliament; the head of the Electoral Commission, and the patriarch of the Russian Orthodox Church, Alexiy II.

Mr. Yeltsin, entering last, appeared just after the Kremlin bells in the Spasskaya Tower struck noon and chimed out the Russian national anthem. On a stage bedecked with red, white and blue carnations — the colors of the Russian flag — he solemnly read the oath of office from a TelePrompTer.

Reading the oath of office, Mr. Yeltsin sounded thick-tongued and seemed to have difficulty with consonants.

There was respectful applause in the hall and the flag of the Russian presidency with a double-headed eagle was raised over the Kremlin.

Later, Russian television cut away to soothing music and images of beautiful palaces.

DOLE: *The Candidate Makes His Choice for a Running Mate*

Continued from Page 1

he wanted to plunge back into the rigors of electoral politics, while Mr. Dole was wrestling with the question of whether he would be comfortable with a man who regularly irritated President George Bush when he served in Mr. Bush's cabinet.

Mr. Kemp's proponents argued that his stature nationally would energize the convention next week, stir fresh support among party activists around the country and prompt many voters to reevaluate Mr. Dole at a time when he seems at a disadvantage to President Clinton.

Mr. Kemp's emergence was not universally cheered, however. Angela (Bay) Buchanan, the sister and campaign manager of the conservative candidate Patrick Buchanan, who has clashed with Mr. Kemp on trade and immigration issues, said Mr. Kemp would hardly be the first choice of the Buchanan brigades.

In 1994, Mr. Kemp angered many California Republicans — and Mr. Buchanan — by opposing the state anti-immigration referendum Proposition 187. However, the Buchananites would be comforted by Mr. Kemp's opposition to abortion, though he advocates tolerance for opposing views.

As for Mr. Kemp's political relations with Mr. Dole, the two men have often found themselves on opposite sides of the economic battles between the deficit hawks and tax-cut advocates within the party. Mr. Kemp is an avid tax-cutter, Mr. Dole an advocate of deficit-reduction.

In addition, Mr. Kemp endorsed Malcolm Forbes, a rival of Mr. Dole's, in the Republican primaries just as Mr. Dole was about to wrap up the nomination.

Jude Wanniski, a political economist who has publicly promoted Mr. Kemp as the best choice, described Mr. Kemp's outspokenness as an attribute.

"What Dole is saying is, 'With Jack Kemp in the adjoining office to mine, whenever I have an uncontrollable urge to raise taxes or bomb North Korea, Jack will tackle me in the corridors,'" she said. *(AP, WP, NYT)*

NASDAQ: *Market Accused of Price Fixing*

Continued from Page 1

without admitting or denying the charges, and it issued a statement emphasizing the changes it had already made under the prodding of a commission headed by Warren Rudman, a former Republican senator from New Hampshire.

Among other things, they separated the regulatory responsibilities from the running of the stock market, and put Mary L. Schapiro, a former member of the SEC, in charge of the regulatory activities. Mr. Levitt said he had confidence in the people now running the association.

While the commission said association officials knew of the illegal practices, it did not name any of them and apparently has decided to bring no charges against individual officials.

But the inquiry remains open, and brokerage firms may yet be charged.

The SEC's settlement calls for the association to spend $100 million over the next five years to step up monitoring of the market to prevent similar abuses.

The money will come from Nasdaq's budget, which is raised from trading fees and other assessments on brokerage firms. Of that, $25 million is to be spent this year, representing just a 7 percent budget increase for the regulatory operation.

The settlement also calls for a number of changes, some of them already put into effect, to prevent such things from happening again.

The settlement, many of whose terms had been leaked earlier in the week, was announced Thursday afternoon, less than 24 hours after the end of negotiations that had gone past midnight for three consecutive nights and involved the heads of major brokerage firms as well as executives of the association.

It appears clear that the practices outlined by the SEC cost investors large sums of money by forcing them to pay more for securities when they bought them, and to get less when they sold them, than might otherwise have been the case.

To some extent, those losses may have been offset by reduced commissions, but the net effect was to raise profits of the brokerage industry substantially.

Those profits are likely to come under some pressure as a result of the settlement Thursday, but they could be hurt even more if the SEC goes ahead with its plans to impose new trading rules later this years. Those rules, as proposed last year, were aimed at assuring that investors got the best possible price in trading.

Many Nasdaq traders were outraged by the proposed rules, warning that they would devastate brokerage profits and reduce liquidity in the Nasdaq market by driving brokers out of business, and efforts have been made to get Congress to block the rules.

The picture of dealers contained in the report released by the Securities Exchange Commission on Thursday, as well as in a similar document released by the Justice Department last month, when it settled antitrust charges against the major dealers, may make it difficult for the dealers to arouse sympathy.

Quoting liberally from tape recordings of Nasdaq traders — tapes that had been made by the brokerage firms to protect themselves in case of disputes over particular trades — the commission provided evidence of traders at one firm telling others about customer orders, of putting pressure on other firms to fix prices, and of delaying trading reports to deceive customers.

In one case, a trader called the regulators to report that he had traded a stock during a trading halt, and to ask what to do.

Such a trade was against the rules.

The association official, who was not named, responded by recommending that the trade be resubmitted to show, inaccurately, that it had taken place before the trading halt.

In the last 25 years, the Nasdaq market has grown from a tiny backwater of over-the-counter stocks, most of them in small companies, into a market with a huge trading volume.

Unlike the New York Stock Exchange, Nasdaq is a dealer market, in which competing brokers known as market-makers stand ready to buy and sell stocks.

Markets like the New York exchange are auction markets, in which public orders are matched with each other and one market-maker, known as a specialist, is present with a mandate to trade if his involvement is needed.

Each Nasdaq market-maker quotes a bid price, at which he stands ready to buy, and an asked price, at which he is willing to sell, with the difference called the spread.

Historically, the public could trade only at those two prices.

If the price of a stock was $20 bid and $20.25 asked, and an individual wanted to buy at $20.125, the order might not even be accepted, and it would not be executed unless the asked price fell to that level.

That has withered under reforms instituted since the SEC began putting pressure on the association, and would be all but completely obliterated under the rules the SEC is considering.

Under those rules, anyone, not just someone who is a market-maker, could submit a bid that was shown as the best one in the country.

While this is the first censure of a major national stock market, it is far from the first run-in between the SEC and the stock markets.

Mr. Levitt recalled abuses by the New York Stock Exchange in the 1930s and the American Stock Exchange in the 1960s.

In those years, however, the SEC had the power only to put a market out of business, not to impose a lesser penalty like censure.

The SEC said that nearly all aspects of the dealers association had come to be dominated by market-makers, who enforced the rules as they wished, meting out punishment to those who fought them and ignoring violations by their own kind. In addition, they made it harder for firms they viewed as enemies to join the organization.

Some of the changes ordered by the SEC are aimed at reducing that power by increasing public representation and by assuring that the association staff members can act without being hampered by member firms.

While the harshest criticism in the SEC report concerned the fixing of prices, it also criticized many other practices.

It said that the dealers association had not enforced rules aimed at preventing market-makers from backing away from their quotes or from reporting them late.

It also said that the association had not made sufficient efforts to enforce a rule limiting political contributions by underwriters of municipal bonds.

Junji Kurokawa/Agence France-Presse

TRADITIONAL TRAFFIC — A conductor announcing train departures Friday in Tokyo as people left for the Buddhist Bon Festival.

FRANCE: *Hunger Strikers Grow Weaker*

Continued from Page 1

Thursday. All told, Mr. Debre continued, 7,352 people were forcibly escorted out of the country in the first six months of this year, compared to 5,868 in the same period last year.

"I will defend the application of the texts voted by national elected representatives, not the interpretation desired by a minority," he said.

Since Jean-Marie Le Pen's extreme-right National Front party won 15 percent of the vote in the last national elections on a platform of France for the French, both Mr. Debre's Gaullists and the opposition Socialists have been eager to appear tough on illegal immigrants.

Much of Mr. Le Pen's support comes from French people fed up with crime and drug abuse in the vast suburban housing projects to which the authorities have consigned many of the 1.6 million North African and Turkish Muslim immigrants here.

Many of the French believe Mr. Le Pen when he says that the 3 million unemployed French workers would find jobs if all 3.6 million foreigners, including many hundreds of thousands living here legally as citizens of other European Union countries, went back home.

There are relatively few black African immigrants but they, too, are being rebuffed, as are French supporters of the group at St. Bernard's.

"With this hunger strike, we are approaching real tragedies," said Stephane Hessel, who has been chosen by the immigrants to try to mediate with the government.

St. Bernard's is merely the latest stop for the refugees, who occupied another church, St. Ambroise near the Place de la Bastille, last March but were expelled by the police on March 22 at the parish priest's request.

With 124 children among them, they migrated to a gymnasium and then to a theater complex in the Bois de Vincennes that gave them shelter until mid-April.

Then they moved to an abandoned warehouse belonging to the state railways. On June 28, they occupied St. Bernard's.

"We have a lot of support from the neighborhood," Mr. Traore said. "The curate has promised us that he will never sign an expulsion order."

The 1994 French immigration laws were sharply criticized this spring by a United Nations Economic and Social Council report on racism and discrimination.

A parliamentary commission reported earlier this summer that even those laws had loopholes that should be tightened. After an acrimonious debate in Parliament, Mr. Debre said that the government considered the laws tough enough as they were, as long as they were rigorously applied, and that is what he appears to be doing now.

With Final Hurdle Cleared at UN, Iraq Hopes to Sell Oil Next Month

Agence France-Presse

BAGHDAD — Iraq said Friday it was ready to resume limited oil exports next month after the United Nations sanctions committee cleared the way for the first easing of the six-year-old oil embargo.

"We expect a resumption of Iraqi crude exports in the second half of September, but that will depend on the speed with which technical details are sorted out," the Iraqi negotiator, Abdul Amir Anbari, said in an interview with the daily Al Hayat.

The United Nations committee formally adopted technical guidelines on Thursday for an oil-for-food deal reached on May 20. The guidelines were approved after Washington decided to drop its objections to proposals for carrying out the accord.

Under the deal, Iraq will be allowed to sell $2 billion worth of oil every six months under strict international control to raise money to purchase food and medicine.

Iraqi media did not report the lifting of the last political barrier to carrying out the agreement. Iraqis learned the news only through foreign radio stations.

Only one Iraqi newspaper mentioned the removal of Washington's objections on Thursday.

The newspaper was Babel, run by President Saddam Hussein's eldest son, Uday, which published foreign news agency reports.

Likewise, there were no celebrations on the streets of Baghdad, in sharp contrast to May 20, when Iraq and the United Nations signed the agreement.

However, the Iraqi currency, the dinar, which had plummeted in value in the last two weeks because of pessimistic reports coming out of New York, rose in trading on Friday to 950 to the U.S. dollar compared with 1,200 to the dollar on Wednesday.

U.S. Court Says No To Race-Based Firing

The Associated Press

PHILADELPHIA — A New Jersey school district should not have laid off a white teacher instead of an equally qualified black teacher for the sake of racial diversity, a divided federal appellate court has ruled.

The district's affirmative action policy was not designed to remedy past discrimination and violated the rights of non-minority employees, an eight-judge majority of the 3d U.S. Circuit Court of Appeals ruled Thursday, and thus failed to meet the criteria set by the U.S. Supreme Court for race-based preferences in employment decisions.

In 1989, Piscataway laid off Sharon Taxman, a white teacher, instead of Debra Williams, a black teacher with similar qualifications who had been hired on the same day in 1980.

GOLD: *Thugwane's Gift*

Continued from Page 1

In the coming weeks, there will be more parades, more appearances, more photo opportunities, more pitches from prospective sponsors eager for this fresh sporting face to hawk their products.

As mining officials pulled him this way for a picture, that way for an interview, Mr. Thugwane seemed wonderstruck.

But he is a man grounded in reality, who knows quite clearly the meaning of all the adulation.

"When I left here, I didn't go on my own. I went to represent my country and when the country is happy about me, I enjoy it," he explained.

And when he states the obvious, it is with no trace of bitterness. "Black people should have long ago got these opportunities."

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Yeltsin's Second Chance

With his health in doubt, the war in Chechnya flaring and the Russian economy at a critical juncture, Boris Yeltsin began his second term as president Friday with diminished expectations. Even the opulent inaugural ceremony once planned for the Kremlin's Cathedral Square was scaled back and moved inside to reduce the strain on Mr. Yeltsin, who will apparently begin his new term by taking a long rest.

It is not the vibrant, hopeful start that should have followed his victory over the Communist candidate, Gennadi Zyuganov. But Mr. Yeltsin and his countrymen can still move ahead with economic and political reform if the second Yeltsin administration is more disciplined and consistent than the first.

The first step should be candor about Mr. Yeltsin's health. All the dissembling has fanned fears that he is suffering much more than a bad case of fatigue. Given his history of heart ailments, he may be a candidate for bypass surgery. With capable aides like Prime Minister Viktor Chernomyrdin to run the government, Mr. Yeltsin should level with Russia about his health and get the treatment he needs, even if that means temporarily turning power over to the prime minister.

The Chechen secession crisis, boiling again, must be settled expeditiously and permanently. The peace agreement Mr. Yeltsin reached with Chechen fighters in May quelled combat briefly, but a new rebel offensive has reignited the war. The conflict has already cost 30,000 lives and depleted the Russian treasury and Mr. Yeltsin's credibility.

The war will not end until the Russian government and the rebels negotiate a comprehensive political settlement rather than the kind of slapdash agreement they threw together this spring. Moscow's offer of autonomy just short of independence is the best deal the Chechen rebels can get, and they should take it before their homeland is destroyed.

Russians made clear by their votes that they favor continuation of the economic reforms begun by Mr. Yeltsin, but want them managed in a more humane and evenhanded way. The president's extravagant campaign promises cannot be honored without dangerously increasing the budget deficit, but some effort is needed to soften the impact of reform, particularly for elderly citizens with fixed incomes.

Mr. Yeltsin must attend to an inefficient and corrupt tax system that by some estimates collects half the money tax rates should produce. His government should also devise a fairer system for transferring state property to private hands, eliminating the windfall gains that have gone to a few businessmen with friends in the Kremlin.

Mr. Chernomyrdin and Anatoli Chubais, Mr. Yeltsin's new chief of staff, are committed to reform. If they assemble a cabinet of like-minded leaders, Mr. Yeltsin's second term can avoid some of the zigzagging that hurt the first. Cooperation from Parliament would help. The Communists and nationalists who control the legislature have a legitimate role to play in opposition, but they will harm the country if they try to cripple the government.

Russians would be much relieved if former General Alexander Lebed used his new position as Mr. Yeltsin's top security aide to combat crime, the affliction of post-communist Russia. Mr. Lebed must check his own authoritarian instincts and be careful that a crackdown on crime does not extinguish Russia's civil liberties.

In planning the inauguration, the government looked for symbols of majesty and power it could borrow from czarist coronations. At this point, the world would be relieved just to see Mr. Yeltsin standing without assistance.

—THE NEW YORK TIMES.

Jewish Settlements

The new Israeli government has devised a policy for Jewish settlements in the West Bank and the Gaza Strip that could put additional land in these disputed areas under Jewish control. The displacement of Arabs who now live or farm there would create geographic and political obstacles to a durable peace with the Palestinians. But Yasser Arafat's call for a campaign of confrontation against the new settlements policy is premature. The prospects for an eventual peace depend less on policy declarations than on what Israel actually does about expanding settlements. The government has not yet spelled out its intentions, and has left room to exercise some restraint.

The main change in policy concerns approximately 135 settlements, where about 140,000 Jews live among more than 2 million Palestinians in the two areas. New settlements will still be restricted, with full cabinet approval required for such ventures.

For many years the United States opposed all settlements in the occupied territories. But since the Oslo agreements three years ago Washington has treated settlements as an issue to be worked out between Israel and the Palestinians.

After Oslo, the Labor governments of Yitzhak Rabin and Shimon Peres virtually froze construction in all settlements except those near Jerusalem. Even with these restrictions, the settler population increased by more than 40,000 in Labor's four-year term. Now, in a return to pre-Oslo policy, all settlements can again seek to annex land.

Procedures for filing expansion plans have not yet been worked out. But all such plans will be subject to a review on security grounds by the minister of defense. This allows the government to block plans that take settlements provocatively close to Palestinian towns or other sensitive areas. By placing the review power with Defense Minister Yitzhak Mordechai, a moderate, the government has limited the influence of Infrastructure Minister Ariel Sharon, who favors settlement expansion. At a minimum, Mr. Mordechai should use his power to block any proposed expansions in the Gaza Strip, Hebron or other areas where Israel has agreed to transfer administrative authority to Palestinian control.

Prime Minister Benjamin Netanyahu, who ran on a platform of ending Labor's restrictive settlement policy, could hardly have been expected to do less than the policy changes he announced Aug. 2. Yet he must now take care to prevent a reckless expansion of settlements that could undermine the campaign of pragmatic personal diplomacy he has undertaken in recent weeks.

The new Israeli leader has already met with President Hosni Mubarak of Egypt and King Hussein of Jordan, and on Monday he announced his willingness to resume talks with Syria. Negotiations with the Palestinians on the most contentious issues remaining from Oslo — Jerusalem, settlements and Palestinian political status —are to resume in earnest later this year. The first direct meeting between Mr. Netanyahu and Mr. Arafat is probably not far off.

Hope for a lasting peace between Israel and the Palestinians remains alive. But to sustain it, Israel will have to proceed with the utmost care and sensitivity in putting its new settlements policy into effect.

—THE NEW YORK TIMES.

Other Comment

Israeli Time Bombs

Prime Minister Benjamin Netanyahu of Israel repeatedly accused the Palestinians during his meetings with President Bill Clinton and U.S. administration officials of violating the Oslo deal. But Mr. Clinton failed to remind Mr. Netanyahu that his policy on settlements was a stark violation of the peace deals Israel has signed with the Palestinians and poses an enormous danger to the future of the peace process, despite the bluntness with which the Likud leader pressed his hard-line policies on his host.

Settlements constitute a time bomb that could explode at any moment. Neither the Palestinians nor the rest of the Arabs will be able to accept a peace under which Israel continues to violate international law and the agreements it has made with them.

The Israeli state itself should not accept endangering the whole peace process for the sake of fulfilling the fantasies of a few hard-liners or appeasing a few thousand settlers whose vision for the future of the region is one that is certain to generate more conflict and disasters for their people, for the Arabs and for all those who have an interest in a stable Middle East.

—The Jordan Times (Amman).

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A Bad Sanctions Bill Is Better Than Nothing

By Jim Hoagland

PARIS — France, like America, is preoccupied with terrorism and its terrible human cost. But arriving here from Washington is to step into a different, lower-voltage world where the focus is on living with man's cruelty and viciousness rather than on conquering it once and for all.

The American approach, exemplified by President Bill Clinton's ringing declaration as he signed a law imposing new trade sanctions on Iran and Libya on Monday, strikes Europeans as naive and idealistic. They are probably right when they predict that these new U.S. measures, drawn to penalize Europe and Japan, will fail to change the behavior of Tehran and Tripoli.

But the blasé European reaction helps explain why President Clinton in the end had to overcome his own misgivings and sign a measure that is bad law, terrible diplomacy and rotten business strategy for U.S. companies. Europe and Japan should hear this as a call to join America in more effective measures against state-sponsored terrorism.

Even as France was leading the European Union in denouncing the United States for fighting terrorism with sanctions, the French nation was mourning the victims of a terrorist bombing in Algeria that seemed directly aimed at French policy in North Africa.

Pierre Claverie, the French-born Catholic bishop of Oran, was killed by a terrorist bomb on Aug. 1, hours after he had met in Algiers with the French minister of foreign affairs, Hervé de Charette. The bishop's driver was also killed by the blast, believed to have been carried out by Islamic fanatics who have killed 18 other Catholic clerics, dozens of foreigners and tens of thousands of Algerians in four years of bloody revolt against the military government.

Bishop Claverie, 58, had taken Algerian citizenship after that nation achieved its independence from French colonial rule in 1962. At his funeral Monday he was praised for his dedication to the several hundred remaining Catholics in Algeria, to the Algerian nation, and to the spirit of tolerance he demonstrated throughout his life.

The fundamentalist terror campaign in Algeria is directed not only against French support for the government (which, in fact, has been modest and hesitant) but also against the remaining traces of French culture and colonial rule. The French government underlined that grim reality by calling on all French persons to leave Algeria immediately.

But there is more a spirit of resignation than of mobilization in comment on the Claverie assassination by France's officials and news media. In contrast to impassioned American declarations that the nation will not give in to terrorism, the French concentrate on practical measures to avoid becoming targets while getting on with life.

As Bishop Claverie was being buried, French officials were busy lashing out at Mr. Clinton's decision to sign legislation that requires the president to deny specific U.S. trade privileges to foreign companies or individuals who invest $40 million or more a year in gas and oil projects in Iran or Libya.

The European Union has promised to retaliate against U.S. companies for this effort at extraterritoriality by the American government, threatening a sanctions war that would damage business on both sides of the Atlantic.

Still, despite its manifest flaws, the bill is good power politics. It is a powerful incentive for the Europeans to come up with measures that will be more effective than the sanctions bill, which can then be repealed. And it exposes an intellectual conceit held by the Europeans that has become an obstacle to effective joint action against terrorism.

The conceit is that Europeans understand Third World countries and political movements better than Americans and should be left alone to reason with and persuade outlaw regimes to act responsibly. This is the central premise of Germany's "critical dialogue" with Iran, and of France's efforts to establish privileged relations with Libya, Iran and eventually Iraq.

In the view of many Europeans, the outrageous rhetoric these regimes spout and the occasional atrocity against Westerners that can be traced back to them are the price of doing business with these countries, in the long-term hope of moderating their policies.

But understanding these countries is not the problem. Their promises of murder and incineration of others are all too clear. From Hitler to Saddam Hussein and Moammar Gadhafi, the tendency has been to explain away or discount the murderers' clearly expressed intentions as a way of avoiding confrontation.

Americans are told by Germans and others to be patient and not to take seriously Iran's threats of death to the Great Satan. But Americans must take these threats as they are made — in deadly and grim seriousness.

The United States should hold itself ready to change or drop these new, poorly designed trade sanctions against Iran and Libya. But the ball is at the moment in the court of the Europeans, who must show that they are not ready to let rogue regimes keep on getting away with murder.

Washington Post Writers Group.

Political Missteps: A Needless Setback for Dole on Abortion

By David S. Broder

SAN DIEGO — Bob Dole, of all people, should have a clear memory of the Republican convention of 1976. That gathering in Kansas City, Missouri, was the one that nominated him for vice president on the ticket headed by Gerald Ford.

But he apparently forgot what else happened in Kansas City, and that lapse cost him politically here as he suffered a needless setback in the battle over the abortion plank in the Republican platform.

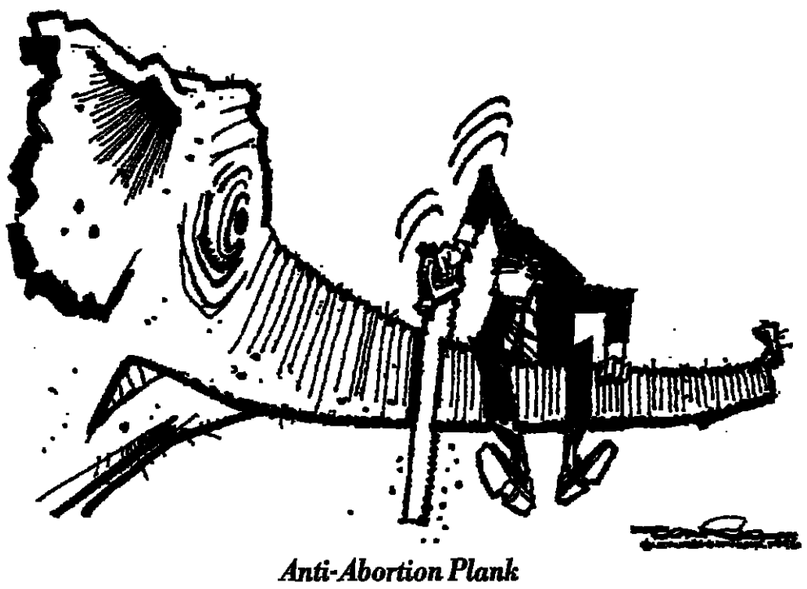
In 1976, President Ford turned back Ronald Reagan's challenge for the nomination. But Mr. Ford could not stop the hard-line conservatives who had been activated by the Reagan campaign from imposing their views on the party platform, including an embarrassing repudiation of the policy of détente with the Soviet Union espoused by Mr. Ford and Secretary of State Henry Kissinger.

Mr. Ford, like Mr. Dole today, came into the convention trailing far behind the former Southern governor who would be his Democratic opponent. Like Mr. Dole, he needed a smooth, harmonious convention to begin his comeback bid. Instead, his fight with the conservatives on the platform committee showed that his party was anything but unified behind his policies and his leadership. He lost to Jimmy Carter by a narrow margin in November.

Mr. Dole set up a similar scenario for himself by declaring his determination in June to have the Republicans' strong anti-abortion plank changed to include a "declaration of tolerance" for those in the party who support abortion rights.

"I think I make that decision," he said. "It's not negotiable."

But when the platform committee met here in preparation for the convention, it became apparent that the Dole forces had not lined up the votes to back up his bold words. Instead of ratifying the language Mr. Dole wanted, a coalition of abortion opponents, including some of his own supporters, forced Mr. Dole's platform representatives into a step-by-step retreat.



Anti-Abortion Plank

First, the phrase "individual conscience" was deleted; then the link to "abortion" was removed; finally, the word "tolerance" disappeared from the plank. A group of Republican governors who support abortion rights briefly threatened a floor fight on the issue and then, as has happened many times before, retreated. All they got was an agreement that the rejected language would be included in a minority report that will never come up for a convention vote.

When Governor Pete Wilson of California, the leader of the threatened revolt, was asked if they were tacitly conceding that the nominee's professed position was a minority view, he fumbled for an answer and finally conceded, "I guess 'a minority view' is right."

What explains this political fiasco? Part of the answer is the steady increase in the influence of the Christian Coalition and other parts of the anti-abortion army inside the state party organizations that choose the convention delegates and platform committee. Comparing this crop of delegates with the one in Houston in 1992, one old hand at Republican conventions said, "If the Houston delegates were a 6 on the left-to-right scale, these folks are an 8."

A second part is Mr. Dole's slowness in shifting from his perspective as a longtime Senate leader to that of a putative presidential nominee. "As Senate leader," said one of his advisers, "he would never take a public position until he knew where the votes were on the Republican side of the aisle. But he issued his ultimatum on the 'tolerance' language without talking to anybody."

Another Dole lieutenant, even more senior in the hierarchy, said: "It was a mistake from beginning to end. He never talked to Henry Hyde," the Illinois congressman who headed the platform committee, before he made his pronouncement. In addition, this official said, the Dole side let abortion foes dominate the subcommittee.

But even if the anti-abortion side hadn't controlled the subcommittee, he said, "they only needed 25 percent of the votes on the platform committee to force a floor fight — and they knew a floor fight was the one thing we couldn't afford. So the battle was lost from the beginning."

Incredibly, said this man, as late as Tuesday night, after the battle had been lost in both subcommittee and full committee, Mr. Dole was insisting that a new version of the "tolerance" language be inserted. It was only with difficulty, this man said, that the candidate was convinced that any effort to reopen the battle would be futile, and would simply produce another day of news about Mr. Dole being repudiated by his party.

As it was, the abortion battle distracted attention from Dole's economic plan and made what was already an uphill fall campaign look even more difficult.

Washington Post Writers Group.

How the New Welfare Law Will Save Liberalism and the Poor

By Mickey Kaus

LOS ANGELES — Forget what you've heard. Not only did President Bill Clinton make a justified and principled decision to sign the bill to turn welfare over to the states, but, in doing so, he also set the stage for a revival of liberalism and, more generally, public faith in government.

To understand why, consider some realities that are not widely reported:

• The new welfare bill does not mean the federal government is abandoning the anti-poverty fight. Under the new law, Washington will continue sending $20 billion a year to the states to spend on aid to needy families.

What Washington is saying is that the current main welfare program, Aid to Families With Dependent Children, sustains a debilitating culture of nonwork and nonmarriage — but we don't know exactly what sort of change in the system will best transform that culture.

So states will take the federal money they now spend on welfare and experiment. Some officials will try to replace welfare with public jobs. Others will try time limits and cutoffs. There is a risk some states will be too harsh. But Congress does not give away $20 billion, even in block grants, without keeping a close eye on how the money is spent.

Governors, for their part, will be competing for the national prominence that will go not to the cruelest state, but to the one that figures out how best to get welfare recipients into the work force. If a state comes up with a winning formula, there will be intense pressure for other states to adopt it.

• The bill will probably result in spending more money, not less, on poor families. The bill saves $55 billion over six years, mainly in food stamp reductions and cuts in aid to legal immigrants. But the basic welfare and child-care grants in the bill include at least $3 billion more over this period than the program they replace.

Liberals assert that this isn't enough extra money to provide child care and public jobs for poor single mothers who can't find private-sector work. Conservatives respond that once

Americans don't hate government, just one program.

welfare is no longer a free ride, so many people will leave the rolls that the savings can be used to pay for the jobs.

If the conservatives are too optimistic, as most experts think they are, even Republican governors will start demanding the extra federal money they need, and conservatives, having promised to replace welfare with work, will be in no position to deny them.

Indeed, states are already complaining about the cost of creating enough jobs to meet the bill's work targets. Meanwhile, liberal groups that haven't given a fig about replacing welfare with work are now calling for spending not on welfare but on public jobs.

• Aid to Families With Dependent Children, far from being a cornerstone of the New Deal, was an aberration. When he started the original Works Progress Administration in 1935, Franklin D. Roosevelt thought he was ending the "narcotic" of cash aid to the able-bodied poor and replacing it with a work program.

Indeed, all the big assistance programs in the Social Security Act of 1935 — unemployment compensation, Social Security pensions, aid for the elderly and the disabled — upheld the work ethic. They were restricted to those who either worked or were unable to work.

There was only one exception — a tiny program, intended to help widows, that eventually grew into Aid to Families, which now sustains more than 4 million single mothers. It's no accident that it is also the only New Deal program despised by the voters.

• Welfare has poisoned the public against all government spending. Republicans have skillfully used the program's unpopularity to taint all Democratic anti-poverty efforts, indeed all government.

Now Republicans like Newt Gingrich have to stop railing against the "culture" of an underclass sustained by welfare. The underclass is now the Republicans' problem as well as the Democrats'.

So what does Mr. Gingrich have left to say? Repeal environmental protections? Privatize the Social Security retirement system? The Republicans may soon discover that voters never really hated government. They just hated welfare.

• Liberals can now rebuild an active government on a more defensible foundation. Even as the welfare bill was passing, conservative Republican congressmen were talking of the need for a new federal effort to revive impoverished communities. These Republicans had enterprise zones and tax breaks in mind.

But, with government cleansed of welfare's taint, Democrats can think bigger. They don't need a "new paradigm." They mainly need to develop programs that, like most of the New Deal, build on the work ethic.

• Gingrichism is doomed. With the welfare bill safely out of Republican hands, the truth can be admitted: the Republicans have been snookered. Mr. Gingrich has now done what the voters wanted him to do, namely reforming the "corrupt liberal welfare state."

They don't need him anymore. Meanwhile, Democrats have been liberated to meet the public's legitimate, unfilled expectations of government. I suspect we will see the results clearly, if not in this election then the next.

Sorry, Newt. Congratulations, and good-bye.

The writer is the author of "The End of Equality." He contributed this comment to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: Malmaison Sale

PARIS — The famous Château de la Malmaison, for many years occupied by the Empress Joséphine after her divorce from Napoleon, will on Wednesday [Aug. 12] be sold. The property is divided into 35 lots, the total upset price being 101,600fr. Joséphine de Beauharnais took up residence in Malmaison in 1789. The Thursday meetings at Malmaison were then much frequented by literary men and artists. In 1870 Malmaison received, for the second time — the first occasion was after Waterloo — a Prussian invasion.

1921: New Frontier

PARIS — With the Allied experts busy drawing a new frontier in Upper Silesia between Germany and Poland, which will give Poland 70 per cent of the votes cast in her favor, Europe's most dangerous problem is nearing settlement. The new basis for consideration was developed during a luncheon offered to Mr. Lloyd George by M. Briand at the French Ministry of Foreign Affairs yesterday [Aug. 9]. Mr. Lloyd George said that France's special claims to security were worthy and that "the world would always stand by France if she were unjustly attacked."

1946: War on Settlers

LONDON — By military action in occupied Germany, Austria and Italy, by diplomatic action in Europe and by naval action in the Mediterranean, Great Britain opened a three-front war today [Aug. 9] on illegal Jewish immigration into Palestine. The British occupation commander in Berlin issued orders to seal off the British Zone against any further movement of Jewish refugees. Parallel action was taken in Frankfurt and Italy.

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Rediscovery of a Master Sculptor

International Herald Tribune

LONDON — Few stories are quite as extraordinary as that of a Huguenot from Dieppe called David Le Marchand who fled religious prosecution to Britain, where he became the most celebrated ivory sculptor of his time.

What little is known has just been deftly pieced together by Charles Avery and the evidence is on view at the British Museum until Sept. 15 in "David Le Marchand 1674-1726," the first retrospective ever devoted to him. Discoveries abound and of the 70 carvings on view, two-thirds were previously unpublished and, often, unrecorded. Even so, much remains

SOUREN MELIKIAN

unexplained, not least how Le Marchand first appeared in Scotland rather than England after leaving France.

A license that was granted to him in 1696 to open up shop in Edinburgh as an ivory sculptor on condition that he train and employ local would-be artists has recently come to light.

So have the portraits of Sir James Mackenzie executed that same year, and of three other Mackenzies, previously known to exist from published correspondence, but never displayed or even reproduced until now. They leave no doubt about Le Marchand's skills.

The likeness of Sir James, unsigned but in the same style and preserved in the same family as those that are, is a superb piece of understated low-relief sculpture.

Judging from the manner, these must have been done at short intervals by the sculptor, who clearly knew how to wheedle his way around. Sir James, "aged 22," as the portrait says, was as young as Le Marchand and one can imagine the two striking up an easy friendship.

Collection of Lord Thomson of Fleet

"Queen Anne," a masterpiece in ivory by David Le Marchand.

THE commission to portray Sir George Mackenzie, James's father, must have been a major coup for the ambitious Frenchman. Sir George, educated at the University of Saint Andrews, found himself on the winning side through much of his life. He fought under Charles II, was made a peer by James II of England and VII of Scotland, helped establish the government of King William at the Revolution and played a major role in the accession of Queen Anne to the throne. Sir George then became a Secretary of State for Scotland.

The observant Le Marchand must have known a lot about his powerful patron. He has shown him wearing ancient Roman armor and a French-style wig, looking self-assured, almost placid, with the faintest suggestion of grimness, in the furrow that comes down from the mouth.

Other Mackenzies were more appealing. Lady Mackenzie of Rosehaugh, a widow of 42, obviously pleased with her generous décolleté emphasized by frills, breathes intelligence and quiet determination. Her face is turned left as if to look at her son, little George Mackenzie of Rosehaugh, aged 10, portrayed about the same time, his cheerful fresh face turned right.

There were other powerful Scottish families, the Drummonds, whose portraits by Le Marchand have just surfaced, the Earl and Countess of Leven, all somehow connected. Did Le Marchand get tired of working the system in Scotland, or did he just find Edinburgh no longer big enough for his ego?

By 1700 he was in London. That year the artist cut the profile of Elizabeth Eyre, wife of Charles Nicholas Eyre who became Cupbearer to Queen Anne when she ascended the throne.

Then, in circumstances unknown, Le Marchand portrayed the queen in one of his true masterpieces. The femininity of the hairdo contrasting with the imperious movement of the head thrust back, staring ahead, says a lot about the sculptor's subtle psychological perspicacity.

It may have stood him in good stead in his quest for the high and mighty wanting to be portrayed. He carved, much in the same mood, a striking medallion of John Churchill, first Duke of Marlborough, who triumphed over the armies of Louis XIV and built the horror called Blenheim Castle designed by Vanbrugh.

But Le Marchand could be bored and was unable to conceal it. His small bust of Anne Churchill, second daughter of the Duke of Marlborough, shows her with a neck too long by half and an empty grin. Avery reminds us that she was renowned for her beauty. Le Marchand, however, made her look more like a goose than an English rose.

Was there perhaps a touch of uncontrolled impishness about the French sculptor? King George I did him the honor of sitting for him, which should have been the crowning point of his career. Yet, His Majesty's potato nose and spreading jowls, turn the bust of unusually large size (indicating that no expense was spared) into a cartoon. Even the animal mask on the cuirass has a fiendish grin, which can only be meant to inspire amusement.

Le Marchand, it would seem, responded more sympathetically to artists and thinkers, even though he was careful enough to deal with celebrities only.

His profile of Sir Godfrey Kneller, as the German painter from Lübeck was known in his English incarnation, shows a man after Le Marchand's own heart — alert, self-controlled, a perfect blend of the courtier keen to read his patron's lips and of the thorough professional attentive to detail.

SAMUEL Pepys, the diarist, must have been witty and irascible, while John Locke, with his high cheek-bones sticking out and his wild hair, looks every inch the tormented intellectual. Only Isaac Newton, oozing square-jawed self-importance, comes out a loser.

Curiously, Le Marchand hit it off with businessmen. He enjoyed a long relationship with the Rapers, a powerful merchant family. (One of them later gave his bust of Newton to the British Museum).

The portrait of Matthew Raper III standing in a library as he demonstrates a proposition in geometry is one of the gems in the show. Le Marchand also took to Sir John Houblon, first governor of the Bank of England, whose piercing eyes and high forehead suggest formidable powers of concentration.

The artist's last datable likeness is that of the Reverend William Stukeley, the antiquarian and collector who owned the Thomas à Becket chasse.

What happened between July 1722, when Stukeley noted in his "Family Memoirs" that he "sat to Mr. Marchand," and Feb. 3, 1726, the day the artist was admitted to the French Hospital, so destitute that the "Corporation" had to pay for his expense? No document has yet shed light on his tragic end, in total solitude, on March 17, 1726.

André Kertesz, Musée du Patrimoine photographique, Paris

Calder in Paris in 1929: "I was told it was better to be primitive than decadent."

Calder at Play and Work

By Michael Gibson
International Herald Tribune

PARIS — "I get a lot of fan mail," Alexander Calder once wryly remarked, "mostly from six-year-olds." This was of course largely due to the playful quality of his art and the astounding, worldwide success of a form he invented and which was abundantly imitated both by small children and toy manufacturers: the mobile.

The Musée d'Art Moderne de la Ville de Paris is currently marking the 20th anniversary of Calder's death (at the age of 78) with an exhibition of 147 works through Oct. 6 — an attractive overview, though it represents barely one percent of the output of one of the most prolific artists of our century.

Calder was born two years before the turn of the century, the son and grandson of sculptors whose monumental works in bronze are still landmarks in Philadelphia. His mother was a painter.

He was an exceptionally gifted child and, even when he was only 8, showed himself to be a marvelous tinkerer. He had his own workshop (in the basement, he wistfully complained) where, among other things, he made toys for his sister. This playful aspect remained with him all his life.

His parents would have liked him to be an artist, but young Calder declared that he would rather become an engineer. So he enrolled in the Stevens Institute of Technology in Hoboken, New Jersey, where he displayed a considerable talent for mathematics and obtained the best grades ever awarded in that school.

Yet when he graduated he did not become an engineer. Instead, he worked at a range of jobs, being by turn a salesman, a logger and a sailor. It was in this last capacity, on his way from New York to San Francisco by way of the Panama Canal, that he had the decisive revelation of his life.

Sleeping on deck, on a roll of hawsers, he awoke to see a flaming sun in the east, and a full, silvery moon in the west. This gave him a lasting vision of the solar system and it would determine the orientation of his work. "The underlying formal sense of my work," he later declared, "has been the system of the universe."

At the age of 24 he decided that he wanted to become an artist after all — but on his own terms. His father was a trained academic sculptor. Young Alexander, with his irreverence and playfulness, tended to see art as something strongly rooted in daily life. Also he had one of those brilliant minds that express their thoughts with their hands, and he was fortunate to arrive in Paris at the right moment.

PARIS in the early '20s tended to reject the solemn mood of art dominant before the war. In music, for instance, *les Six* were experimenting with forms borrowed from jazz, Brazilian music and *bal musette;* in art, collage, randomness and insolent provocation were practiced by the likes of Picabia and the former Dadaists.

Paris took Calder to its bosom: "I was told," he later declared, "it was better to be primitive than decadent." The formula reflected the then current rejection of the Symbolist mystique, but it also echoed Calder's own preference for play.

He soon revealed a talent for a form which might best be termed "drawing with wire." He would go to Paris openings and dinner parties with a roll of wire slung over his shoulder and a pair of pliers in his pocket and produce amusing figurines and delightful portraits. But the great success of the early Paris years was doubtless his "Circus," with its cunning animated figurines. A video film at the museum shows Calder presenting it much later in life.

In 1930 he happened to visit Mondrian in his studio. The room was like one of the latter's paintings. Everything was done in primary colors, and horizontal and vertical lines. "It might be fun," the towering, bearlike Calder suggested, "to make all those squares move." This piece of unintentional insolence failed to crack Mondrian's Buster Keaton solemnity: "No, he serenely replied, that is not necessary. My paintings already go fast enough."

The encounter with Mondrian turned out to be decisive for Calder. He adopted his simple color scheme and turned to abstraction. He also tried animating his sculptures with motors but found the result was too mechanical. Ultimately he came up with the mobile, which reflected, in a sense, his fundamental poetic concern with "the system of the universe."

Calder turned out thousands of objects including forks, brooches, drawings and lithographs, decorations for buildings, automobiles and airliners, and of course, countless mobiles and stabiles. Some works are clearly more successful than others, but on the whole they radiate an utterly unique and poetic alliance of humor and wit.

Birds Transmogrified: A Magical Exhibit

By Alan Riding
New York Times Service

PARIS — Art exhibits built around themes rather than individual artists often seem to work when they focus on art movements, geographic regions or ancient civilizations. Shows examining how artists through the ages have tackled a specific subject generally fare less well, no doubt because works inspired by, say, religion or nature or the female nude are too varied or too numerous to make much sense.

To avoid such perils, the organizers of "Comme un Oiseau," or "Like a Bird," an exhibition at the Cartier Foundation for Contemporary Art in Paris, have wisely clipped their own wings. They simply want to demonstrate how birds have caught the imagination of artists. And they have done so effectively with just 110 works by named artists and 52 more by anonymous artists from Africa, Asia and the Americas.

True, the works in the show, which runs through Oct. 13 at the foundation's headquarters at 261 Boulevard Raspail on the Left Bank, are as varied as art itself: drawings, paintings, sculptures, masks, movies, photographs, sound and dance (through video extracts of Merce Cunningham's "Beach Birds").

The materials used include paper, canvas, wood, marble, bronze, stone, feathers and fossilized whale bone. There are even 24 real parrots darting about an aviary designed by the French artist Jean-Pierre Raynaud.

What holds this show together, however, is magic — the magic of birds, their flight, their song, their appearance. And more pertinently in this case, there is also the magic that artists apply in transforming birds from objects of ornithological interest into symbols of forces — of good and evil, power and fragility, freedom and captivity, fertility and death — that are essentially human.

Louise Lawler's "Bird-calls," a sound installation at the entrance to the Cartier Foundation, and Raynaud's steel and ceramic aviary, a freestanding cube inside the "cube" of Jean Nouvel's ultramodern building, remind visitors that birds are not just metaphors. Birds also come close to their originals in classic 19th-century aquatints and gouaches by the likes of John James Audubon, Jacques Barraband and Edouard Traviés. But elsewhere in the show, they are thoroughly metamorphosed.

Sharing the center's first floor with the aviary are works by a French artist whose obsession with flying is reflected in his pseudonym, Panamarenko, which in 1965 he adapted from the name Pan American Airways. In reality, in his series of stylized renderings of the prehistoric archaeopteryx, he seems more consumed by the difficulty of flying. Similarly, with "Bernouilli," an installation comprising a platform with two propellers and two balloons, he pays homage to 19th-century efforts to defeat gravity.

Collection Musée Marey, Beaune

"Flight of the Dove" by Etienne Jules Marey in the exhibit "Comme un Oiseau."

BUT it is in the center's basement exhibition rooms that the traditional role played by birds in human dreams becomes most apparent. As the French anthropologist Claude Lévi-Strauss points out in an essay in the catalogue, many myths of the original inhabitants of the Americas deify birds and, in the case of Amazonian Indians, involve complex legends of how tropical birds acquired their stunning plumage.

The show includes large feathered headdresses made to this day by Brazil's Kaiapo Indians, 16th-century feather mosaics of religious scenes from Mexico and several stunning items from 10th-century Peru, among them a feather-covered mummified head.

Pre-Columbian peoples, from Aztecs to Eskimos, also routinely portrayed birds with human features and vice versa. One 19th-century Alaskan Eskimo mask, showing a man's face peering from the beak of a bird, evokes the Yupik people's belief that a great raven created the world.

The bird was no less present in African and Asian art. On display are a 2,000-year-old mummified ibis from Egypt, a proud cockerel from the British Museum's collection of Benin bronzes, a large wooden frieze showing the outspread wings of a sea bird from the South Sea Islands and, from China, a delicate 4th-century B.C. wooden phoenix standing on a tiger.

Strangely, though, with the exception of ancient Rome's ubiquitous eagle, it was not until this century that Western artists, specifically the Surrealists, began to explore fully the magic of birds.

Birds did appear in Renaissance paintings, all too often simply being fed by St. Francis or contributing to the notion of paradise. Then, in the 19th century, artists approached birds scientifically, eager to record species as accurately as possible and seemingly little interested in their poetic dimension.

But 20th-century works in this show by Max Ernst, Joan Miró, Paul Klee, Constantin Brancusi, Francis Picabia, Alexander Calder, René Magritte, Georg Baselitz, Frida Kahlo, Jean-Michel Basquiat, Louise Bourgeois and others tell a different story. Ernst, for example, uses the bird as a sexual symbol, while in Magritte's "Deep Waters" it seems to convey menace.

Brancusi's "Bird in Space" series — a bronze version is in the show — is probably the strongest expression of the bird as a symbol of freedom. The bright colors used in Miró's semi-abstract "Woman Surrounded by the Flight of the Bird" in turn evoke the gentleness of birds, not unlike the mood present in a 1944 photograph by Henri Cartier-Bresson of Marisse in the company of white doves.

In his review of the exhibition, Le Monde's art critic, Philippe Dugan, said the show could seem perfectly coherent or perfectly incoherent depending on the eye of the visitor. But in his view, the organizers' decision to mix the works in the show in such a way as to contrast, say, a feathered Peruvian tapestry and a watercolor by Turner proves successful.

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Continued on Page 12

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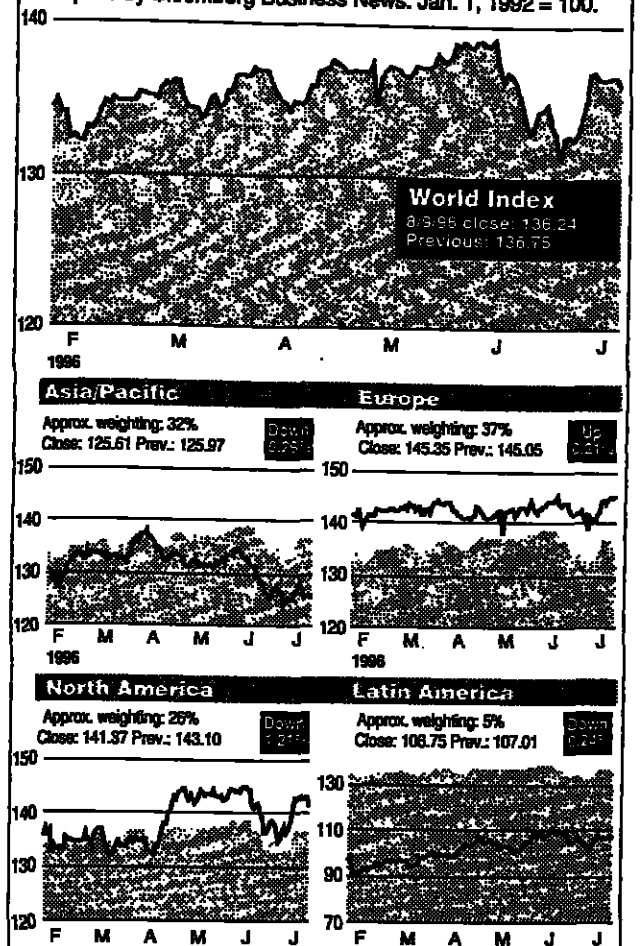
THE TRIB INDEX: 136.24

International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, *and* Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. *For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.*

Industrial Sectors

	Fri. close	Prev. close	% change		Fri. close	Prev. close	% change
Energy	142.86	143.55	-0.48	Capital Goods	146.42	147.47	-0.71
Utilities	128.96	129.11	-0.12	Raw Materials	160.09	160.18	-0.06
Finance	117.32	117.47	-0.13	Consumer Goods	147.32	148.33	-0.68
Services	125.22	125.43	-0.17	Miscellaneous	140.66	140.89	-0.16

For more information about the Index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

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Kazuhiro Nogi/Agence France-Presse

Hiroshi Okuda, president of Toyota, unveiling a new passenger automobile at a press conference.

Toyota Chief Is Hard to Please

By Warren Brown
Washington Post Service

NEW YORK — By most estimates, Toyota Motor Corp. is a very successful automaker.

It has $25 billion in cash reserves. Its profits are soaring, up 46 percent to $2.39 billion in the financial year ended March 31. Toyota's cars and trucks have a worldwide reputation for quality.

Yet Toyota's president, Hiroshi Okuda, said none of this was enough to satisfy him. As a result, he is restructuring the company — and diversifying in a quest to make it an even tougher competitor at home and abroad.

Mr. Okuda came to New York this week to present Toyota's business case for the future to Wall Street analysts, who seemed to be receptive.

"Companies that have been benchmarking Toyota to determine their progress in product quality and other areas are going to have to start benchmarking all over again," said Maryann Keller, an analyst with Furman Selz Inc. in New York.

Toyota is cutting its production costs, shifting employees and pouring billions of dollars into new technology in an attempt to turn out cars more quickly and less expensively than its rivals, Mr. Okuda said. The company hopes to capitalize on growth in worldwide demand for alternatively powered vehicles, such as electric cars. It is also poised to use its vast cash reserves to become a major player in other businesses, such as financial services, telecommunications and prefabricated housing.

Mr. Okuda, 63, is modest in discussing what he calls Toyota's revival. Toyota is changing because

See TOYOTA, Page 13

More Bad News For Chipmakers

Compiled by Our Staff From Dispatches

NEW YORK — The semiconductor industry's downturn has yet to hit bottom, analysts and executives said Friday, after disappointing data on the industry's health were released in the United States and Japan.

After a U.S. trade group reported a surprising decline in semiconductor orders for July, Japanese makers of semiconductor machines posted their first year-to-year decline in demand since 1992.

The news sent stocks of a number of high-technology companies in both Europe and Asia tumbling. But U.S. high-tech stocks, helped by favorable news on inflation, showed little impact. (Page 10)

Samsung Electronics Co, one of the largest suppliers of memory chips, fell 2.7 percent in Seoul to close at 71,800 won ($88.21).

Taiwan Semiconductor Manufacturing Corp., the largest chipmaker in Taiwan, fell 50 Taiwan cents to 54 dollars ($1.96). United Microelectronics Corp., the second largest, fell 1.10 dollars to 36.70.

In Hong Kong, the chip-manufacturing-equipment maker ASM Pacific Technology fell 10 Hong Kong cents to 5.35 dollars (69 cents), and the chip packager QPL International fell 5 cents to 6.25 dollars.

Japanese chip shares were less affected by the poor U.S. figures. Most makers have other businesses such as telecommunications in which growing sales can offset a slump in chip revenues, traders said.

Hitachi Ltd. rose 20 yen to 1,020 ($9.50), Toshiba Corp. fell 1 yen to 715 and Mitsubishi Electric Corp. was off 6 yen at 695.

Philips Electronics NV, which gets about 60 percent of its income from microchip production, ended in Amsterdam at 54.70 guilders ($32.80), down 40 cents.

The U.S. Semiconductor Industry Association reported late Thursday that chip orders in July in North and South America were down 5.1 percent from June, causing its book-to-bill ratio to fall to 0.85 from a revised reading of 0.88, the first decline in four months. The ratio had risen steadily since hitting 0.79 in March, and analysts had generally expected a gain for June.

The ratio means that for every $100 of products shipped, manufacturers received only $85 of new orders.

The group announced that its worldwide book-to-bill ratio was unchanged at 0.93 despite the drop in the Americas.

In Tokyo, an official of the Economic Planning Agency said orders for machinery to produce semiconductors fell 2 percent in the year ended June 30, the first year-to-year decline since December 1992.

Some analysts said the market's response to the figures might prove to be an overreaction, considering the growing importance of non-U.S. manufacturers in the world market and the seasonal nature of the business.

North America currently represents about one-third of the world market, compared with more than half the market a decade ago.

Some analysts, pointing out that the market for semiconductors is normally relatively weak in the summer, are looking to the release of Microsoft Corp.'s new Windows NT business software this quarter to spark new demand for computers and semiconductors, although its impact is likely to be gradual.

"We hope that in September things will pick up — that's the good news," said Dan Covel, semiconductor analyst at Fahnestock & Co.. "The bad news is it probably won't pick up well enough to fix the third quarter."

U.S. chipmakers have been struggling to maintain order levels all year after personal computer makers stocked up too many semiconductors last year.

Some analysts blame the overstocking on overly optimistic predictions of the impact that Microsoft's new Windows 95 operating software would have on computer sales.

This week, the market research concern Dataquest cut its forecast for Windows 95 sales in 1996 by 27 percent. *(Reuters, Bloomberg, Knight-Ridder, AP)*

Charges Drain Unilever's Profit

Compiled by Our Staff From Dispatches

ROTTERDAM — Unilever Group said Friday that second-quarter net profit fell 9 percent, more than expected, as 273 million guilders ($141 million) in charges obscured a solid sales rise.

The British-Dutch maker of Persil detergent, Calvin Klein perfume and Magnum ice cream had net profit of 941 million guilders, compared with 1.03 billion guilders a year earlier.

In pounds, Unilever's profit was £617 million, down from £655 million on sales of £8.80 billion.

Its two parent companies, Unilever NV and Unilever PLC, operate largely as a single entity. The earnings apply to the group as a whole.

Unilever's sales rise of 9 percent to 22.27 billion guilders dwarfs that of its U.S. rival Procter & Gamble Co., which posted a 0.9 percent rise in its financial fourth quarter Thursday.

Unilever's sales increase was largely due to the acquisition of Helene Curtis, a Canadian consumer goods company Diversey Corp. and Gorton's Fabrics.

Still, investors worried about the charges, saying that Unilever is making it a bad habit.

Unilever took a 151 million guilder charge for the assimilation of the U.S.-based hair and skin products maker Helene Curtis Industries Inc.

Restructuring existing operations and disposing of low-margin businesses cost Unilever another 122 million guilders, it said.

Earlier this year, Unilever said it took a write-off on frozen beef products in response to public fears about "mad-cow" disease. Sales rose in beverages and fragrances.

"What do you get in return when you have to swallow these charges every quarter," asked Leen den Hollander, a fund manager with Delta Lloyd Verzekeringsgroep NV. "Eventually you have no dividend growth and that's what it is all about." Unilever has not raised its dividend in two years.

Unilever shares closed down 1 pence at 1,245 pence in London, and down 2.10 guilders at 234.80 guilders in Amsterdam. *(Bloomberg, AP)*

ECONOMIC SCENE

Asia Looks to Norway for Oil Diversity

By Michael Richardson
International Herald Tribune

SINGAPORE — When Marcel P. Kramer, president and corporate representative for the Asia-Pacific region of Statoil, Norway's national oil company, called a meeting earlier this year of regional refiners to discuss prospects for sales of Norwegian oil, he was pleasantly surprised by the turnout and initial results.

Asia's voracious appetite for oil to fuel its rapid economic growth and industrialization is prompting countries in the area to turn to increasingly distant sources of supply, partly to offset their heavy dependence on the volatile Gulf.

With Asia-Pacific oil production lagging way behind demand, the region's net oil imports reached 10.3 million barrels per day in 1995, up 45 percent from 1990.

About 60 percent of East Asia's oil consumption is imported, nearly all of it from the Middle East. If demand continues to grow as expected, the region's oil dependence on the Gulf will increase from 55 percent in 1995, to 59 percent in the year 2000, and to 61 percent in 2005.

"Most Asian countries will become increasingly dependent on imported oil in the next 15 years, and the major source of supply will be a small number of countries in the politically fragile Middle East," said John P. Ferriter, deputy executive director of the International Energy Agency in Paris. "Supply diversity adds to oil security."

A couple of years ago, East Asia started to tap West African production. Imports of West African oil are expected to average about 400,000 barrels per day in 1996, up from about 80,000 in 1994, when the first sustained shipments began.

Fereidun Fesharaki, director of the program on resources at the East-West

East Asia is expected to begin importing substantial amounts of North Sea oil. 'Supply diversity adds to oil security.'

Center in Hawaii, said he expected to see East Asia begin importing "substantial amounts of North Sea oil in the next year or two because the demand is there."

Many Asian refineries are not equipped to process Middle East oil and prefer to avoid making expensive modifications by importing oil that is low in sulfur and high in gasoline content. North Sea and West African oil meets those requirements.

Some 40 firms, representing about 16 million barrels per day in oil refining capacity, showed up at the Singapore meeting convened by Norway's Statoil in March.

They account for the great majority of the oil that is refined to make gasoline, jet fuel, diesel, naphtha and other products for Asia's transportation, power, manufacturing and petrochemical industries.

Despite the fact that it takes more than three times as long and costs twice as much to ship oil from the North Sea to Singapore as it does from the Middle East, Taiwan's China Petroleum Development Corp. has started to buy Norwegian oil on a regular basis.

Mr. Fesharaki said that other Asian refiners were expected to follow as West African oil production and prices peaked, making the economics of North Sea supply attractive.

Statoil says it takes a large tanker from the North Sea 38 days to reach Singapore at a cost of $1.10 per barrel of oil, compared to 30 days at 95 cents from West Africa.

Norway is one of the world's largest oil exporters. Statoil sells 2 million barrels per day, mainly to European refineries. But up to 600,000 barrels per day are exported to the United States and Canada.

"If we can get a return at least equal to North America, we would be happy to sell to Asian customers," Mr. Kramer said. "We are not interested in subsidized sales, but we are trying to expand our market in places where it makes economic sense."

Thyssen Chairman Is Charged With Fraud

Agence France-Presse

DUSSELDORF — The chairman of the board of directors of the giant German steel firm Thyssen AG, Dieter Vogel, was charged Friday with fraud in connection with a privatization deal but was freed on bail of 2.5 million Deutsche marks ($1.69 million).

Mr. Vogel, 54, is among seven senior members of the Thyssen staff for whom warrants were issued by a Berlin court on Thursday.

Officials also searched Thyssen group premises in Dusseldorf and elsewhere on behalf of the Berlin prosecutor's office in charge of economic crimes connected with the aftermath of German reunification.

The executives are accused of fraud in connection with the privatization of the former East German firm of Metallurgiehandel under the direction of the Treuhand state privatization agency.

The company named others as Josef von Riederer and Hans Ulrich Gruber, both directors of Thyssen Handelsunion, and a former director of the same subsidiary, Heinrich Kersten.

Vogel is also a former chairman of Thyssen Handelsunion.

Three other Thyssen-Handelsunion and three AHB-Metallurgiehandel managers were also implicated, the company said. It described the proceedings as "incomprehensible" and said no new facts had emerged since a 1993 investigation into the same matter.

■ Bank Officials Face Sentencing

A German state prosecutor said Friday that he had asked a court to sentence two executives of Dresdner Bank AG to jail terms or heavy fines for alleged abetment of tax evasion, Reuters reported from Frankfurt.

CURRENCY & INTEREST RATES

Cross Rates

Aug. 9

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.6585	2.5785	1.1223	0.3280	0.1082*	—	5.445*	1.3703	1.5333*	1.3885	1.3175*
Brussels	38.5075	47.31	20.613	6.002	2.0082*	18.368	—	25.3235	0.282	22.1975	24.21*
Frankfurt	1.479	2.2935	—	0.2926	0.9742*	0.8911	4.8511*	1.2282	1.3688*	1.6767	1.1739*
London (a)	1.548	—	2.2899	7.833	2,351.08	2.5601	47.165	1.8856	167.83	2.123	195.0817
Madrid	126.012	195.419	85.413	24.916	8.295*	75.07	4.1305	104.60	116.404*	91.685	—
Milan	1,515.85	2,353.90	1,025.75	300.03	—	914.86	49.678	1,242.45	14.006	1,100.435	12.048
New York (b)	—	1.5502a	1.4784	5.0545	1,518.80	1.6586	30.47	1.2045	108.35	1.371	126.95
Paris	5.0575	7.843	3.4173	—	0.3329*	3.0451	0.1658	4.1932	4.6761*	3.6796	4.0135*
Tokyo	108.40	168.35	73.09	21.45	0.715	65.14	3.5847	89.78	—	79.10	0.8609
Toronto	1.3707	2.1245	0.9271	0.2712	0.0904*	0.8264	0.0400*	1.1379	1.2658*	—	1.089*
Zurich	1.204	1.8656	0.8165	0.2382	0.0793*	0.7264	3.954*	—	1.1129*	0.8787	0.9567*
1 ECU	1.2847	0.8281	1.9066	6.495	1,958.83	2.133	38.1787	1.5471	138.928	1.7651	161.826
1 SDR	1.4564	0.9406	2.1656	7.3786	2,212.56	2.4280	44.688	1.7666	157.067	1.9985	183.704

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York and Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9988	Greek drac.	236.66	Mex. peso	7.505	S. Afr. rand	4.525
Australian $	1.285	Hong Kong $	7.7373	N. Zealand $	1.4535	S. Kor. won	814.30
Austrian sch.	10.41	Hung. forint	154.06	Norw. krone	6.3995	Swed. krona	6.6562
Brazil real	1.0205	Indian rupee	35.72	Phil. peso	26.19	Taiwan $	27.50
Chinese yuan	8.3395	Indo. rupiah	2345.13	Polish zloty	2.72	Thai baht	25.31
Czech koruna	26.76	Irish £	0.6215	Port. escudo	152.23	Turkish lira	8438.5
Danish krone	5.725	Israeli shek.	3.146	Russ ruble	5264.00	UAE dirham	3.671
Egypt. pound	3.644	Kuw dinar	0.299	Saudi riyal	3.75	Venez. boliv.	474.00
Fin. markka	4.4645	Malay. ring.	2.4904	Sing. $	1.4155		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5499	1.5494	1.5492	Japanese yen	107.60	107.13	106.71
Canadian dollar	1.3727	1.3712	1.3699	Swiss franc	1.2016	1.1983	1.1952
Deutsche mark	1.4768	1.4740	1.4714				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Libid-Libor Rates

Aug. 9

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 5/16 - 5 7/16	3 1/8 - 3 1/4	2 1/16 - 2 3/16	5 7/8 - 6	3 3/4 - 3 7/8	3/8 - 1/2	4 9/16 - 4 11/16
3-month	5 7/16 - 5 9/16	3 5/16 - 3 7/16	2 3/16 - 2 5/16	5 15/16 - 6 1/16	3 15/16 - 4 1/16	9/16 - 11/16	4 9/16 - 4 11/16
6-month	5 9/16 - 5 11/16	3 5/16 - 3 7/16	2 1/4 - 2 3/8	5 7/8 - 6 1/8	4 3/8 - 4 1/2	5/8 - 3/4	4 5/8 - 4 3/4
1-year	5 13/16 - 5 15/16	3 1/4 - 3 1/2	2 1/4 - 2 1/2	5 7/8 - 6 1/8	4 1/8 - 4 5/16	7/8 - 1	4 13/16 - 4 15/16

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/4	8 1/4
Federal funds	5 1/16	5.00
3-month CDs	5.03	5.04
CP 180 days direct	6.11	6.11
3 month Treasury bill	5.02	5.02
1-year Treasury bill	5.27	5.31
2-year Treasury bill	5.89	5.95
5-year Treasury note	6.22	6.29
7-year Treasury note	6.34	6.39
10-year Treasury note	6.48	6.55
30-year Treasury bond	6.69	6.79
Merrill Lynch 30-day RA	4.85	4.85
Japan		
Discount rate	0.50	0.50
Call money	0.37	0.38
1-month interbank	0.53	0.53
3-month interbank	0.69	0.68
6-month interbank	0.84	0.84
10-year Govt bond	3.20	3.20
Germany		
Lombard rate	4.50	4.50
Call money	3.35	3.35
1-month interbank	3.38	3.39
3-month interbank	3.38	3.38
6-month interbank	3.40	3.40
10-year Bond	6.27	6.29

Britain		
Bank base rate	5 3/4	5 3/4
Call money	5 15/16	5 15/16
1-month interbank	5 3/4	5 13/16
3-month interbank	5 13/16	5 3/4
6-month interbank	5 7/8	5 15/16
10-year Gilt	7.79	7.77
France		
Intervention rate	3.55	3.55
Call money	3 9/16	3 9/16
1-month interbank	3 9/16	3 5/8
3-month interbank	3 5/8	3 5/8
6-month interbank	3 11/16	3 5/8
10-year OAT	6.38	6.36

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Crédit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	387.50	387.75	—0.25
London	387.75	387.60	—0.40
New York	394.20	393.30	—1.10

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Dec.)
Source: Reuters.

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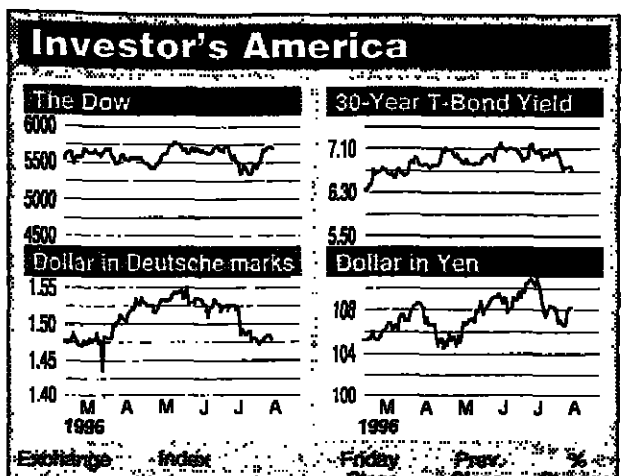
12-8-96

THE AMERICAS

Investor's America



Exchange	Index	Friday Close	Prev. Close	% Change
NYSE	The Dow	5681.31	5713.48	-0.56
NYSE	S&P 500	662.10	662.59	-0.07
NYSE	S&P 100	639.67	640.66	-0.15
NYSE	Composite	353.44	353.91	-0.13
U.S.	Nasdaq Composite	1135.85	1139.12	-0.29
AMEX	Market Value	550.80	551.77	-0.18
Toronto	TSE Index	5046.27	5041.71	+0.09
São Paulo	Bovespa	63031.00	62080.40	+1.53
Mexico City	Bolsa	3219.02	3185.40	+1.06
Buenos Aires	Merval	585.82	640.89	-2.54
Santiago	IPSA General	5461.72	5451.02	+0.20
Caracas	Capital General	4371.65	4342.85	+0.67

Source: Bloomberg, Reuters — International Herald Tribune

Very briefly:

Mutual Funds Pull Back Money

NEW YORK (Bloomberg) — Investors poured $5.56 billion into U.S. stock mutual funds in the week ended Wednesday, the biggest inflow since the first week of June, according to AMG Data Services, an Arcata, California, company that tracks flows of funds into and out of mutual funds.

Equity mutual funds recovered after investors reduced their purchases and even withdrew money during July as stocks fell and buyers fretted that the five-and-a-half year bull market was ending. Just $613 million trickled into stock funds in the week ended July 31, AMG said.

Growth and income funds, those seeking to provide investors with gains from rising stocks and dividend payments, were the most popular in the latest week, according to AMG, gathering $1.22 billion, compared with $216 million a week earlier. Growth funds, which aim to prosper by investing in stocks of companies with rapidly increasing earnings, collected $1.07 billion, compared with withdrawals of $185 million the previous week.

• **McDonnell Douglas Corp.** and the International Association of Machinists resumed negotiations after a federal mediator ordered the company to meet with the union.

• **Mark Ferber,** a former municipal-bond adviser with Lazard Freres & Co., was found guilty by a federal jury in Boston on almost 90 counts of fraud, bribery and other violations.

• **Sony Corp.,** responding to a news report, said it did not plan to hire the former Home Box Office Chairman Michael Fuchs for a top position at its film division.

• **Landry's Seafood Restaurants Inc.** said it completed its $75 million acquisition of **Bayport Restaurant Group Inc.** and would repay about $30 million of Bayport's debt.

• **Bradlees Inc.** said it would close 14 unprofitable stores in the northeastern United States within the next few months, as it moves to shore up its losses. *Bloomberg, Reuters*

Tax Delayed Is a Penny Earned

By Floyd Norris
New York Times Service

NEW YORK — What do you do when the value of one of your greatest investments ever is waning but the profit is still huge?

You do what a family corporation that is the largest shareholder in Micron Technology Inc. has done: Sell $150 million in stock in a way that will defer paying any capital gains taxes for six years.

The sale, on top of direct sales by a family member, helped to send Micron shares plunging last month. All told, sales by J. R. Simplot, the 87-year-old potato magnate and the family corporation he founded, amounted to 12.6 million shares, or nearly 6 percent of Micron.

The shares sold by the family corporation were bought more than a decade ago, long before Micron became celebrated, at a cost of no more than a few dollars a share. And while Micron is down a lot from the peak of $94.75 a share it reached last September, the average price of $19.75 that the family corporation got still represents a huge profit.

The taxes that were saved amounted to at least $39 million.

By using complicated Wall Street techniques, including a forward sale and an equity swap, the family company apparently will not pay taxes until 2003. In addition, the maneuver enabled the family company to retain voting rights on most of the shares, which could be useful should a proxy fight erupt.

The transactions are contained in reports to the Securities and Exchange Commission that in some cases do not provide complete information. But tax avoidance appears to be the motive.

Such tax avoidance has aroused the ire of the White House, which this year proposed legislation to outlaw it. But congressional Republicans promised that no such change would be passed with the proposed retroactive date, and the tax deferral remains legal.

In this case, the family company agreed to a forward sale — meaning that the shares would not change hands until later, in this case 2003. It also entered into what is called an equity swap, in which it gave up all the economic benefits of owning the stock for the interim period but also gave up the risks of owning it.

The counterparty, which assumed all those risks and benefits, is the Canadian Imperial Bank of Commerce, which sold the stock immediately to get rid of the risks.

The family company was founded by Mr. Simplot but is now owned by his children. It took in about $150 million from the transactions, saying the money was needed to finance other investments.

Micron, a leading maker of dynamic random access memory chips zoomed in price last year as demand for the chips soared. But prices for four-megabyte chips, which are the company's principal product, have fallen 75 percent as the PC industry has moved to new machines that need more memory.

Mr. Simplot, in selling 6 million shares directly, said he was forced to because of margin calls.

Mr. Simplot had long boasted that he had been a buyer of Micron, but never a seller. And he did pay as much as $62.875 each for his shares. But because most of his stock was bought at far lower prices, the 5 million shares he sold for $107 million brought him a profit before commissions and taxes of about $63 million, based on his latest SEC filings and information on his earlier filings provided by CDA/Investnet of Fort Lauderdale, Florida.

The average cost for the shares being sold was about $8.75 a share, while the average price realized was about $21.35 a share.

How could an account with such a huge profit face margin calls? The answer appears to be that Mr. Simplot had long since cashed in much of the profits. Now that he has sold, it appears that Mr. Simplot will have to pay capital gains taxes, unlike the family concern.

The sales by Mr. Simplot included 4.2 million shares, at an average price of $21.82, on July 11, and 800,000 shares, at an average price of $18.91, on July 17. The selling pressure was a big reason for the stock's plunge to a low of $16.625 on July 24. It closed at $24.625 the day before.

In Friday's trading, Micron closed at $24.50.

Tobacco Stocks Plunge, Pulling Down Stocks

Compiled by Our Staff From Dispatches

NEW YORK — Stocks suffered a late decline on Friday after a Florida court ruling against a tobacco company sent shares of Philip Morris Cos. plunging 13 percent and other tobacco companies reeling.

The drop in tobacco shares overshadowed a rally in financial stocks, which were lifted throughout the day by an unexpectedly favorable inflation report that drove down Treasury bond yields 10 basis points.

The Dow Jones industrial average closed 32.19 points lower at 5,681.31. But advancing issues outpaced decliners by a 6-to-5 ratio on the New York Stock Exchange.

Tobacco shares dropped after a jury ruled against American Tobacco in favor of a Lucky Strike smoker who claimed the cigarette maker was negligent. American Tobacco is now part of BAT Industries PLC's Brown & Williamson unit.

Philip Morris immediately called the verdict an "aberration" and said it expected American Tobacco to appeal.

Few industry watchers and tobacco analysts expected American Tobacco to lose, saying that a jury would not believe that someone could not know the dangers of smoking.

The verdict was closely watched, because it was the first case to be tried since potentially damaging tobacco company internal documents have come to light and industry whistle-blowers have received publicity amid heightened media coverage in the past 18 months.

"The concern is that this particular decision will be a Pandora's box and lead to other awards against the companies," said Guy Truicko, an asset manager at Unity Management in Lake Success, New York. "It then becomes a precedent for other cases."

Philip Morris plunged 13½ lower to 92. But BAT's American depositary receipts closed 1/16 higher at 16. Other tobacco shares plunged as well. RJR Nabisco Holdings fell 4¼ to 28; and Loews dropped 3⅝ to 78⅞.

Another damper on stocks came from a discouraging report on semiconductor sales, which overshadowed a tame inflation report that sent interest rates lower.

Late Thursday, the U.S. Semiconductor Industry Association released its book-to-bill report for July, which showed unexpected weakness in chip orders.

Computer chipmakers received 85 cents of new orders last month for every $1.00 of chips they shipped, down from a revised 88 cents in June.

The Nasdaq composite index, which is home to such semiconductor stocks as Intel and Applied Materials, was down 0.24 point at 1,137.27.

Micron Technology closed 1 lower at 24½, LSI Logic was down 1⅛ at 22⅜ and Motorola fell 1½ to 56.

Yields on benchmark 30-year Treasury bonds fell 10 basis points to 6.69 percent, the lowest reading since early April, as prices rose 29/32, to 100 25/32.

U.S. STOCKS

A Labor Department report showing no wholesale inflation in July "is pretty bullish for the stock market," because its effect is to lower the cost of borrowing and raise the outlook for profits down the road, said Arthur Hogan, head trader at Dean Witter Reynolds.

Financial stocks received a boost from an unexpectedly favorable inflation report that drove down Treasury bond yields.

Bank stocks were standouts as market leaders because their profits usually rise as the spread between their borrowing costs and their lending rates widens.

Wells Fargo gained 2⅜ to 243⅝, and NationsBank rose 1¼ to 91.

Oil stocks retreated, damping the impact of lower interest rates on the broad market. Exxon fell 2 to 80⅝.

Among other decliners, PepsiCo the most active Big Board issue, dropped 1⅛ to 30¾ on concern that the third-quarter loss at its Argentine bottler will damage the company's own earnings. Buenos Aires Embotelladora SA on Thursday reported a $252 million loss in the quarter. Pepsi was also downgraded to "hold" from "buy" at Schroder Wertheim.

Nordstrom fell 3½ to 38¼ after the retailer said second-quarter net income fell to 55 cents a share from 65 cents in the year-ago period, short of the estimates.

America Online fell 4⅛ to 29¼ after the computer on-line services company said it had lower monthly revenue per subscriber, and the loss of some heavy-use customers led to weaker revenue in the quarter.

Quarterdeck rose 1 to 8¾ amid reports that McAfee Associates might make an offer to buy the software-utilities maker.

(Bloomberg, AP)

Single Currency Jitters Buoy Mark

Compiled by Our Staff From Dispatches

NEW YORK — The Deutsche was higher Friday against other European currencies and the dollar amid concern that the European single currency will have to be delayed.

Doubts about prospects for European monetary union have flared intermittently over the past four years. The latest trigger is speculation that France will not be able to cut its budget deficit enough to qualify. That concern helped drive the French franc to a four-month low against the mark.

The mark climbed to a peak of 3.4237 francs, its highest reading since March 28 and up from 3.4111 on Thursday.

"The main focus is concern about France's ability to deal with its budget deficit," said Ron Leven, currency strategist at Morgan Guaranty Bank.

The dollar ended at 1.4778 DM, down from 1.4845 at the close on Thursday. It was at 108.265 yen, off from 108.275; at 1.2041 Swiss francs, down from 1.2103, and at 5.0555 French francs, down from 5.0625.

The British pound rose to $1.5506 from $1.5495.

The Maastricht treaty, which lays out the framework for monetary union, requires that participating countries' deficits total no more than 3 percent of gross domestic product. France's deficit was 5 percent of GDP last year, according to the Organization for Economic Cooperation and Development.

FOREIGN EXCHANGE

"There is a lack of confidence in some European economies," said Chris Iggo, currency strategist at Barclays Bank. "EMU may have to be delayed. So the mark is strengthening."

Traders say that if the mark keeps rising in Europe, it will probably climb against the dollar as well, even though some argue that the strength of the U.S. economy should buoy the dollar.

"Fundamentally, the dollar should be higher," said Ron Simpson, currency trader at Industrial Bank of Japan. "We've got good growth with very low inflation."

Several major Canadian commercial banks said Friday that they would cut their prime lending rate to 6.00 percent from 6.25 percent, effective Monday.

The move followed the Bank of Canada's decision earlier Friday to cut its key bank rate by 25 basis points to 4.5 percent. The central bank's decision came after a slight drop in Canada's unemployment rate for July. *(Bloomberg, Reuters)*

AMEX

Friday's 4 p.m. Close
The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AMC	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
ARC	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Acadiana n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Action	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
AdvMed	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
AirWat	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
AHoagen	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
AlldRsh	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Alphain	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
AlpinGr	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
AltLiving n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Amdhl	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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AIM 88	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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Ampex n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Andrea	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
AstLiving	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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BadgrM	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ballnty n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
ecBnkrN	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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BarrLb s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
BayMea	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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Bowne	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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Chtint of	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Citadel	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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Comforce	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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Jetronic	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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ML TTY n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Metromda	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
MichAnt	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Microtel	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
MidcstE n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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RF Pow	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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Riser	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
RoyalO g	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rymac	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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ShefldMd	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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Sifco	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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ecSoligen	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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SP Mid	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Stephan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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Teche	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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ThCar s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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ThrOptk n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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ThrmRe	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
ThmSen n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
ThmTer	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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Tippery	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TopSrce	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TotlPet	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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TWA	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Transcis	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Trinitech	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TubMex	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TurnB B	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
US Alc	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Unilab	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Unimar	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
UniteMbl	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
US Bio wt	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USBiosci s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Urohlth s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
VICSelS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Viacom	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
ViacB	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Viac wtC	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Viac wtE	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Vitronic	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
VoyMN	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
WRIT	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
WendtBr	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
WIRET	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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WrdssT s	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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WEBAsia n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
WEB Jpn n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
WEB Mal n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
WEB Sng n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
XCL Ltd	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Xytron	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	5716.45	5729.03	5647.62	5681.31	—32.18
Trans	2079.60	2082.16	2066.18	2069.75	—9.85
Util	212.76	212.76	211.29	211.92	
Comp	1822.43	1824.13	1808.58	1812.43	—6.59

Standard & Poors

	High	Low	Close	Chg.
Industrials	787.08	780.72	782.80	—1.49
Transp.	499.40	496.51	497.47	—1.46
Utilities	189.32	188.24	188.85	+0.38
Finance	69.21	68.65	69.01	+0.36
SP 500	665.37	660.31	662.10	—0.49
SP 100	643.42	637.79	639.67	—0.99

NYSE

	High	Low	Last	Chg.
Composite	354.98	352.75	353.44	—0.47
Industrials	450.35	446.91	447.82	—1.36
Transp.	321.37	320.06	320.42	—0.47
Utility	244.81	243.65	244.28	+0.08
Finance	302.52	300.75	302.10	+1.35

Nasdaq

	High	Low	Last	Chg.
Composite	1141.13	1133.65	1135.85	—1.66
Industrials	1035.16	1030.82	1030.82	—3.56
Banks	1083.41	1080.46	1081.30	—0.09
Insurance	1275.57	1270.40	1272.86	+1.17
Finance	1321.89	1317.43	1320.58	+6.34
Transp.	847.33	839.40	839.40	—6.44

AMEX

High	Low	Last	Chg.
552.05	549.90	550.80	—0.97

Dow Jones Bond

	Close	Chg.
20 Bonds	102.57	+0.11
10 Utilities	99.09	—0.06
10 Industrials	106.06	+0.28

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
PepsiCo s	180988	31⅞	30	30¾	—1⅛
MicrnT	70581	25½	23¾	24½	—1
WalMart	41714	25⅝	24⅞	25¼	+½
NatHP s	38865	22⅜	22¼	22¼	...
K mart	37390	10½	10	10⅛	—⅛
LSI Log	36835	23¼	21⅞	22⅜	—1⅛
FedNM	29634	34⅛	33½	33⅞	+¼
NatProc n	25915	20	18¾	19	...
RJRNab	25010	32	28¼	28½	—3⅝
Chryslr s	24595	29⅛	28½	28¾	+¼
RJR pfC	23570	6⅛	5⅝	5⅝	—⅜
AT&T	23120	55¼	54½	54⅞	—⅜
BayNtwk s	22408	25⅜	24½	24⅞	...
Lowes	21272	37⅜	35½	37½	+1⅝
CocaCl s	20966	49⅜	48½	48¾	—¼

Nasdaq

	Vol.	High	Low	Last	Chg.
Intel	151540	82⅝	79½	82⅝	+1⅛
AmerOn s	117463	31⅜	28⅜	29¼	—4⅛
ReutrHd	83895	68½	68	68¼	+⅜
Nordst	81375	38⅝	36⅜	38¼	—3½
BnkUntd n	68714	23¼	22⅜	22⅞	...
US Robt s	54013	55¼	51⅞	52¼	—3⅜
Cisco s	48972	59⅞	57½	58⅜	—¼
Oracle s	46810	41⅞	40⅛	41⅜	+⅜
Informix	44135	26⅛	25⅜	25½	—⅜
Intel wt	40680	44⅜	41¼	43⅝	+⅝
Quartrdk	36544	9⅝	8¼	8¾	+1
ForeSys s	35971	32½	28⅝	31⅞	+2⅝
Xilinx s	34467	39¼	37⅛	38⅝	—⅜
3Com s	33936	47⅞	45⅝	47⅞	+⅞
SunMic s	31977	56⅛	54⅝	55⅝	+⅜

AMEX

	Vol.	High	Low	Last	Chg.
XCL Ltd	17289	¼	3/16	3/16	—1/16
ViacB	9036	35⅞	34⅜	34⅝	—1⅛
HanvDir rt	8519	1/32	1/32	1/32	...
IvaxCp	8279	16¼	14⅜	15⅛	+⅝
TWA	7476	10⅜	9⅝	10	—½
Fresenius	5704	20⅞	19½	20⅝	+2⅛
SPDR	4841	66 9/16	66⅛	66 9/16	—1/16
JTS Corp	4253	5 9/16	4⅞	5	—⅜
HowAir rt	3933	1/16	1/16	1/16	—1/16
CdnOc g s	3527	16	15⅞	16	+⅞

Trading Activity

NYSE

	Close	Prev.
Advanced	1264	1141
Declined	1048	1138
Unchanged	849	901
Total issues	3161	3180
New Highs	67	62
New Lows	16	24

Nasdaq

	Close	Prev.
Advanced	1835	1734
Declined	1810	1960
Unchanged	1990	1913
Total issues	5635	5607
New Highs	77	77
New Lows	51	75

AMEX

	Close	Prev.
Advanced	250	289
Declined	267	255
Unchanged	198	193
Total issues	717	737
New Highs	8	15
New Lows	12	3

Market Sales

	Today Close	Prev. cons.
NYSE	325.16	404.42
Amex	17.47	20.31
Nasdaq	425.04	470.10

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Corporate HI Yld	-	.1271	8-19	8-30
Current Inco Shrs	-	.22	8-30	9-13
Mngd Muni Port II	-	.12	8-27	8-30
MuniYld FL Fd	-	.0737	8-19	8-29
MuniYld Insur	-	.076	8-19	8-29
MuniYld Qual	-	.076	8-19	8-29
SNC-Lavalin	-	.04	8-23	9-6
Senior HI Inco Prt	-	.0786	8-19	8-30
Worldwd Divrvest	-	.1124	8-19	8-30
Zeneca Grp	b	.7218	9-24	11-14
REVERSE STOCK SPLIT				
Blyvooritz ADR 1 for 3 reverse split.				
INCREASED				
Alliance CapCmm	Q	.48	9-13	9-30
Finct Secur Assur	Q	.095	8-22	9-5
Sun Bancorp	Q	.24	8-30	9-13
INITIAL				
Fuji Photo n	-	.095	9-27	12-30
Premark Intl	s	.08	9-13	10-4
s- 1st payment after Tupperware spin-off.				
Service Corp n	-	.06	10-15	10-31
Yonkers Finct	-	.05	8-20	9-9
REGULAR				
ACE Ltd	Q	.18	9-30	10-18
Allied Irish Bks	b	.745	8-20	10-10
Bassett Furniture	Q	.20	8-21	9-3
CV REIT.	Q	.29	9-17	10-8
Chemed Corp	Q	.52	8-22	9-6
Coastal Bncp	Q	.10	8-15	9-15
Corporate HiYldII.	M	.114	8-19	8-30
Dal El Inc	b	.154	8-29	12-16
Equitable Iowa	Q	.15	8-29	9-17
Fremont General	Q	.15	9-30	10-31
Garan Inc	Q	.20	8-19	8-23
Kuhlman Corp	Q	.15	9-11	10-10
Lockheed Martin	Q	.40	9-3	9-30
Macerich Co	Q	.42	8-21	9-5
MuniAssets Fd	M	.0717	8-19	8-29
Munienhanced Fd	M	.0591	8-19	8-29
Natl Commerce	Q	.19	9-6	10-1
Onex Corp	g	.11	10-10	10-31
Pacific Am Inco	Q	.295	8-23	9-16
Penn Engineering	Q	.10	9-16	10-3
Potash Cp Sask	g	.36	10-25	11-15
Quest For Value	M	.10	8-19	8-30
Scitex Corp	-	.13	8-19	9-5
Seligman Sel	M	.07	8-16	8-28
Sevenson Environ	Q	.055	8-23	9-4
Tambrands Inc	Q	.46	9-2	9-16
Teleglobe Inc	g	.12	9-16	9-20
Tennant Co	Q	.17	8-30	9-13
Transalta Corp	g	.245	9-3	10-1
Western Inv RE.	Q	.28	8-23	9-15

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cld - called. d - new yearly low. e - dividend declared or paid in preceding 12 months. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. P/E - price-earnings ratio. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Aug. 9, 1996

	High	Low	Close	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Sep 96	3.64½	3.51½	3.63	+0.10	59,844
Dec 96	3.30	3.26	3.29½	+0.01¼	170,358
Mar 97	3.37½	3.33	3.37	+0.01¼	38,386
May 97	3.42¾	3.39	3.42¼	+0.01	11,759
Jul 97	3.44	3.40½	3.43½	+0.01¼	8,797
Est. sales N.A. Thu's. sales 53,887					
Thu's open int 297,389 off 758					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Aug 96	250.30	246.70	249.50	+2.20	7,429
Sep 96	246.50	234.00	246.20	+2.80	17,206
Oct 96	242.80	237.80	241.70	+2.60	7,695
Dec 96	239.50	235.70	239.20	+2.10	27,476
Jan 97	238.50	235.90	238.50	+1.60	4,152
Mar 97	239.80	236.20	238.50	+1.50	3,673
Est. sales N.A. Thu's. sales 19,485					
Thu's open int 73,632 up 354					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Aug 96	25.15	24.81	25.15	+0.19	3,227
Sep 96	25.28	24.93	25.23	+0.12	18,683
Oct 96	25.46	25.11	25.43	+0.13	13,137
Dec 96	25.85	25.50	25.78	+0.13	34,657
Jan 97	26.00	25.73	25.92	+0.15	4,320
Mar 97	26.30	26.07	26.25	+0.15	4,178
Est. sales N.A. Thu's. sales 20,146					
Thu's open int 82,058 off 1074					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Aug 96	8.00	7.85	7.98½	+0.18½	5,881
Sep 96	7.78	7.65	7.77¼	+0.09½	14,613
Nov 96	7.65	7.53½	7.64	+0.06¾	112,892
Jan 97	7.72½	7.62	7.72¼	+0.07¼	16,781
Mar 97	7.78	7.68	7.78	+0.07¼	8,464
Est. sales N.A. Thu's. sales 41,837					
Thu's open int 172,631 up 651					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Sep 96	4.69	4.58½	4.62¾	+0.03	22,843
Dec 96	4.75	4.63½	4.69	+0.02½	35,325
Mar 97	4.73	4.63½	4.67¾	+0.02	6,993
May 97	4.42	4.37	4.42	+0.02	251
Est. sales N.A. Thu's. sales 20,271					
Thu's open int 67,280 off 1667					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Aug 96	68.57	68.25	68.25	—0.27	11,491
Oct 96	70.80	70.30	70.40	—0.20	40,015
Dec 96	67.82	67.40	67.55	—0.17	20,869
Feb 97	65.87	65.50	65.57	—0.15	12,963
Apr 97	67.25	66.85	66.90	—0.20	4,636
Jun 97	65.15	64.87	64.95	—0.05	2,314
Est. sales 13,737 Thu's. sales 18,958					
Thu's open int 95,063 off 1002					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Aug 96	63.85	63.40	63.47	—0.45	3,735
Sep 96	64.45	63.88	63.95	—0.40	2,994
Oct 96	64.47	63.90	64.15	—0.32	7,235
Nov 96	64.90	64.45	64.62	—0.23	2,478
Jan 97	65.00	64.70	64.82	—0.18	1,183
Mar 97	64.75	64.50	64.55	—0.27	781
Est. sales 2,857 Thu's. sales 2,998					
Thu's open int 19,376 off 177					
HOGS-Live(2/97 Lean) (CMER) 40,000 lbs.- cents per lb.					
Aug 96	62.45	61.55	62.30		3,168
Oct 96	56.55	56.00	56.47	—0.10	14,867
Dec 96	56.40	55.90	56.25	—0.10	9,777
Feb 97	75.30	74.90	75.25	—0.25	2,817
Apr 97	73.50	72.80	73.45	+0.05	1,039
Jun 97	77.80	77.00	77.80		1,119
Est. sales 5,395 Thu's. sales 10,979					
Thu's open int 33,164 off 1424					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Aug 96	100.47	100.47	100.47	—2.00	1,853
Feb 97	84.25	83.42	83.42	—2.00	3,817
Mar 97	84.20	82.62	82.62	—2.00	474
May 97	83.25	81.40	81.40	—2.00	230
Jul 97	81.20	80.15	80.15	—2.00	50
Aug 97			77.47	—2.00	4
Est. sales 738 Thu's. sales 3,049					
Thu's open int 6,428 off 558					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Sep 96	1372	1361	1363	—9	12,693
Dec 96	1418	1405	1406	—9	24,999
Mar 97	1445	1434	1438	—12	16,797
May 97			1458	—7	7,472
Jul 97	1470	1470	1470	—5	5,943
Est. sales 4,892 Thu's. sales 12,498					
Thu's open int 78,138 off 407					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Sep 96	117.70	114.80	115.10	—1.00	10,619
Dec 96	107.90	105.30	105.85	—1.45	10,209
Mar 97	104.50	102.00	102.25	—1.05	3,480
May 97	104.30	102.25	102.40	—1.45	1,037
Est. sales 9,502 Thu's. sales 20,363					
Thu's open int 26,021 off 2443					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Oct 96	11.49	11.40	11.48	+0.11	67,466
Mar 97	11.27	11.19	11.26	+0.12	44,327
May 97	11.04	11.00	11.03	+0.06	17,410
Jul 97	10.78	10.73	10.74	+0.03	12,921
Est. sales 11,452 Thu's. sales 31,410					
Thu's open int 150,984 off 2114					

	High	Low	Close	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Sep 96	115.25	113.30	113.50	—0.70	10,785
Nov 96	111.90	109.40	109.45	—1.35	4,173
Jan 97	111.25	110.00	109.55	—1.10	4,334
Mar 97	112.00	112.00	110.80	—0.70	919
Est. sales N.A. Thu's. sales 975					
Thu's open int 20,772 up 176					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Aug 96	388.80	387.80	387.90	—1.10	771
Sep 96			389.10	—1.20	3
Oct 96	391.80	390.00	390.50	—1.20	12,717
Dec 96	394.70	392.90	393.30	—1.10	77,314
Feb 97	396.90	396.80	395.70	—1.10	11,268
Apr 97			398.00	—1.20	5,884
Jun 97			400.50	—1.20	10,941
Aug 97			403.00	—1.20	
Est. sales N.A. Thu's. sales 13,346					
Thu's open int 142,416 up 2484					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Aug 96	93.00	91.85	92.35	+0.50	2,409
Sep 96	92.90	90.80	92.10	+0.60	16,648
Oct 96	91.50	91.50	91.30	+0.30	1,490
Nov 96			90.50		1,248
Dec 96	91.35	89.10	89.75	+0.05	15,816
Jan 97	89.20	89.20	89.10	—0.10	972
Feb 97			88.45	—0.25	799
Mar 97	88.40	87.70	87.85	—0.35	6,416
Apr 97			87.65	—0.40	445
Est. sales N.A. Thu's. sales 8,294					
Thu's open int 56,925 up 1164					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Aug 96			502.4	—5.7	
Sep 96	514.5	502.5	504.0	—5.8	62,109
Oct 96			506.5	—5.8	10
Dec 96	522.0	510.5	511.7	—5.8	27,138
Jan 97			514.8	—5.8	
Mar 97	526.0	518.0	519.6	—5.8	7,911
May 97			524.6	—5.8	5,517
Jul 97	530.0	530.0	529.4	—5.9	4,120
Est. sales N.A. Thu's. sales 11,068					
Thu's open int 109,977 off 863					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Oct 96	407.00	404.00	404.20	—2.00	19,777
Jan 97	408.50	406.70	405.90	—2.00	3,031
Apr 97			408.20	—1.90	2,312
Jul 97			410.60	—1.90	154
Oct 97			414.10	—1.90	2
Est. sales N.A. Thu's. sales 2,223					
Thu's open int 25,279 off ?					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1478.00	1479.00	1483½	1484½
Forward	1513.00	1514.00	1519.00	1519½
Copper Cathodes (High Grade)				
Spot	2052.00	2057.00	2052.00	2055.00
Forward	1947.00	1948.00	1949.00	1950.00
Lead				
Spot	834½	835½	823½	824½
Forward	829½	830.00	826.00	827.00
Nickel				
Spot	7180.00	7190.00	7165.00	7175.00
Forward	7285.00	7290.00	7270.00	7280.00
Tin				
Spot	6120.00	6125.00	6120.00	6130.00
Forward	6180.00	6185.00	6185.00	6190.00
Zinc (Special High Grade)				
Spot	1017.00	1018.00	1016.00	1017½
Forward	1043½	1044.00	1043.00	1044.00

	High	Low	Close	Chge	Opint
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Sep 96	94.96	94.94	94.94	+0.02	7,534
Dec 96	94.86	94.83	94.84	+0.04	1,701
Mar 97	94.73	94.71	94.72	+0.04	613
Est. sales N.A. Thu's. sales 342					
Thu's open int 9,848 up 2					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Sep 96	106-265	106-155	106-23	+ 08	175,895
Dec 96	106-11	106-04	106-085	+ 08	8,508
Mar 97			105-31	+ 08	
Est. sales N.A. Thu's. sales 33,397					
Thu's open int 184,403 off 18					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Sep 96	109-09	108-24	109-04	+ 13	313,706
Dec 96	108-30	108-09	108-17	+ 13	26,577
Mar 97	108-08	108-07	108-08	+ 13	2,070
Est. sales N.A. Thu's. sales 67,082					
Thu's open int 342,357 up 2766					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Sep 96	112-08	111-10	112-02	+ 25	450,368
Dec 96	111-22	110-25	111-18	+ 25	38,726
Mar 97	111-05	111-00	111-04	+ 25	4,060
Jun 97	110-22	110-20	110-22	+ 25	1,916
Est. sales N.A. Thu's. sales 300,585					
Thu's open int 495,356 up 12976					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Sep96	108-04	107-22	107-29	- 0-01	150,703
Dec96	107-08	107-01	107-04	- 0-02	1,485
Est. sales: 35,248. Prev. sales: 35,177					
Prev. open int.: 152,188 up 3,938					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Sep96	98.00	97.71	97.86	+ 0.17	236,737
Dec96	97.12	96.89	96.99	+ 0.16	13,575
Est. sales: 100,170. Prev. sales: 82,184					
Prev. open int.: 250,312 off 236					

	High	Low	Close	Chge	Opint
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Sep 96	123.58	123.34	123.42	- 0.20	188,590
Dec 96	122.26	122.04	122.12	- 0.16	36,176
Mar 97	121.98	121.96	121.92	- 0.18	6,088
Est. volume: 103,507. Open int.: 230,854 off 4,121.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Sep96	116.58	115.65	115.78	- 0.80	64,257
Dec96	115.84	115.10	115.15	- 0.75	4,896
Est. sales: 55,569. Prev. sales: 30,772					
Prev. open int.: 69,153 up 373					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Aug 96	94.490	94.470	94.480	+10	17,877
Sep 96	94.460	94.420	94.440	+10	386,940
Oct 96	94.360	94.330	94.350	+20	3,916
Dec 96	94.270	94.190	94.240	+40	448,768
Mar 97	94.170	94.090	94.150	+60	385,977
Jun 97	94.040	93.920	93.990	+60	230,567
Sep 97	93.880	93.790	93.850	+60	189,327
Mar 00	93.130	93.080	93.120	+70	35,863
Est. sales N.A. Thu's. sales 280,277					
Thu's open int 2,475,225 up 759					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Sep 96	1.5536	1.5474	1.5492		46,184
Dec 96	1.5522	1.5474	1.5484	—2	1,251
Mar 97			1.5482	—2	9
Est. sales N.A. Thu's. sales 14,910					
Thu's open int 47,444 off 241					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Sep 96	.7318	.7281	.7301	—2	35,941
Dec 96	.7345	.7300	.7323	—3	4,211
Mar 97	.7346	.7326	.7342	—3	456
Jun 97			.7357	—2	684
Est. sales N.A. Thu's. sales 2,591					
Thu's open int 41,409 up 273					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Sep 96	.6785	.6750	.6779	+26	69,490
Dec 96	.6822	.6807	.6817	+26	3,240
Mar 97			.6859	+26	633
Jun 97			.6898	+26	10
Est. sales N.A. Thu's. sales 12,343					
Thu's open int 73,473 up 102					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Sep 96	.009308	.009270	.009282	—1	64,613
Dec 96	.009415	.009397	.009398	—1	5,115
Mar 97	.009525	.009528	.009513	—1	130
Est. sales N.A. Thu's. sales 18,835					
Thu's open int 70,082 off 2625					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Sep 96	.8340	.8287	.8331	+39	36,615
Dec 96	.8405	.8388	.8398	+40	2,368
Mar 97	.8465	.8465	.8469	+40	101
Est. sales N.A. Thu's. sales 10,904					
Thu's open int 39,009 off 978					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Sep96	96.70	96.68	96.69	+ 0.01	173,669
Dec96	96.68	96.65	96.66	+ 0.01	227,482
Mar97	96.49	96.45	96.47	+ 0.02	192,156
Jun97	96.22	96.16	96.19	+ 0.03	129,782
Sep97	95.86	95.82	95.84	+ 0.02	71,409
Dec97	95.52	95.48	95.50	+ 0.01	69,142
Mar98	95.19	95.15	95.18	+ 0.02	40,972
Jun98	94.88	94.84	94.86	+ 0.01	31,209
Sep98	94.56	94.54	94.56	+ 0.03	22,173
Dec98	94.27	94.24	94.26	+ 0.02	22,564
Mar99	94.01	93.99	94.01	+ 0.02	21,375
Jun99	93.78	93.78	93.79	+ 0.02	10,001
Est. sales: 72,791. Prev. sales: 76,029					
Prev. open int.: 1,042,354 off 1,831					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Sep96	94.19	94.15	94.17	- 0.02	75,467
Dec96	94.10	94.05	94.08	- 0.01	104,391
Mar97	93.90	93.82	93.86	- 0.03	71,859
Jun97	93.57	93.49	93.53	- 0.03	47,169
Sep97	93.18	93.11	93.16	- 0.02	31,783
Dec97	92.82	92.76	92.80	- 0.02	25,780
Mar98	92.56	92.50	92.55	- 0.01	20,770
Jun98	92.40	92.33	92.38	Unch.	13,974
Sep98	92.29	92.20	92.25	+ 0.02	9,908
Dec98	92.15	92.06	92.13	+ 0.02	10,404
Mar99	92.06	91.95	92.02	+ 0.02	3,547
Jun99	91.92	91.83	91.90	+ 0.02	1,567
Est. sales: 95,305. Prev. sales: 55,673					
Prev. open int.: 416,399 up 2,473					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Sep 96	95.87	95.75	95.77	- 0.16	51,308
Dec 96	95.87	95.77	95.79	- 0.13	49,949
Mar 97	95.82	95.75	95.76	- 0.08	30,464
Jun 97	95.66	95.58	95.61	- 0.04	19,474
Sep 97	95.42	95.36	95.39	- 0.02	12,428
Dec 97	95.17	95.13	95.17	+ 0.01	9,708
Mar 98	94.96	94.94	94.96	+ 0.01	8,711
Jun 98	94.72	94.70	94.70	- 0.02	6,087
Sep 98	94.50	94.49	94.49	- 0.01	4,362
Dec 98	94.26	94.24	94.26	+ 0.01	4,175
Mar 99	94.00	93.99	94.01	+ 0.01	8,142
Jun 99	0.00	0.00	93.79	+ 0.00	1,938
Est. volume: 116,298. Open int.: 206,746 off 714.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Sep96	91.41	91.20	91.25	- 0.17	58,571
Dec96	91.87	91.78	91.75	- 0.15	43,862
Mar97	92.11	91.99	92.02	- 0.13	24,059
Jun97	92.17	92.07	92.10	- 0.11	14,825
Sep97	92.12	92.05	92.06	- 0.10	8,290
Dec97	91.98	91.86	91.92	- 0.08	5,172
Est. sales: 49,575. Prev. sales: 31,652					
Prev. open int.: 154,779 up 2,962					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Oct 96	70.85	70.15	70.25	—0.05	7,595
Dec 96	71.30	70.80	70.88	+0.08	32,495
Mar 97	72.80	72.30	72.35	—0.03	7,850
May 97	73.65	73.30	73.35	—0.09	5,840
Jul 97	74.40	73.90	73.90	—0.28	4,592
Oct 97	74.80	74.60	74.75	+0.16	1,065
Est. sales N.A. Thu's. sales 5,184					
Thu's open int 62,358 off 312					

	High	Low	Close	Chge	Opint
HEATING OIL (NMER) 42,000 gal- cents per gal					
Sep 96	58.75	58.20	58.40	—0.39	34,049
Oct 96	58.90	58.45	58.65	—0.44	14,882
Nov 96	59.10	58.60	58.90	—0.34	10,306
Dec 96	59.30	58.80	59.20	—0.19	23,202
Jan 97	59.15	58.75	59.05	—0.14	11,223
Feb 97	57.85	57.55	57.85	—0.09	6,202
Mar 97	55.75	55.50	55.75	—0.04	2,960
Apr 97	53.50	53.40	53.45	—0.09	2,030
May 97	51.70	51.70	51.70	—0.14	1,812
Jun 97	50.95	50.85	50.95	—0.19	2,254
Est. sales N.A. Thu's. sales 25,586					
Thu's open int 112,908 up 1825					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Sep 96	21.42	21.31	21.55		59,708
Oct 96	21.08	20.83	21.05	+0.04	53,230
Nov 96	20.57	20.35	20.56	+0.08	31,084
Dec 96	20.10	19.90	20.06	+0.02	39,989
Jan 97	19.73	19.58	19.71	+0.01	28,578
Feb 97	19.49	19.37	19.48	+0.03	20,272
Mar 97	19.25	19.19	19.23	+0.01	13,368
Apr 97	19.05	18.97	19.01		10,375
May 97	18.85	18.82	18.82		6,347
Jun 97	18.66	18.58	18.66	+0.01	23,285
Aug 97	18.42	18.35	18.39	—0.03	3,527
Nov 97	18.06	18.06	18.06	—0.07	5,685
Dec 97	18.05	18.02	18.05	—0.04	19,572
Est. sales N.A. Thu's. sales 83,587					
Thu's open int 361,419 up 7157					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Sep 96	2.120	1.990	2.090	+22	26,453
Oct 96	2.190	2.055	2.170	+45	20,581
Nov 96	2.260	2.160	2.240	+40	13,310
Dec 96	2.310	2.230	2.300	+24	15,099
Jan 97	2.310	2.246	2.295	+14	11,831
Feb 97	2.220	2.190	2.220	+20	7,173
Mar 97	2.120	2.090	2.120	+20	5,523
Apr 97	2.060	2.030	2.048	—2	3,807
May 97	2.015	1.985	2.000		3,176
Jun 97	2.015	2.010	2.010	+8	2,860
Jul 97	2.015	2.009	2.010	+5	2,497
Est. sales N.A. Thu's. sales					
Thu's open int 132,939 off 386					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Sep 96	62.25	61.55	61.75	—0.52	25,946
Oct 96	60.25	59.50	60.10	—0.15	8,987
Nov 96	58.35	57.75	58.30	—0.07	5,185
Dec 96	57.15	56.80	57.10	—0.22	3,026
Jan 97	56.50	56.20	56.40	—0.30	3,449
Jun 97	58.25	58.25	58.25	—0.07	52
Est. sales N.A. Thu's. sales 22,229					
Thu's open int 50,562 up 2347					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Aug 96	181.00	179.75	179.75	—1.25	5,941
Sep 96	180.00	179.00	179.00	—0.75	21,918
Oct 96	179.25	178.50	178.50	—5.00	6,684
Nov 96	177.50	177.25	177.50	—2.50	4,377
Dec 96	176.50	175.75	176.25	+2.50	11,405
Jan 97	174.25	173.50	174.25	+2.50	5,102
Feb 97	N.T.	N.T.	170.75	+2.50	975
Mar 97	N.T.	N.T.	167.25	+2.50	2,172
Apl 97	163.50	163.25	164.00	+5.00	2,934
May 97	161.75	161.50	161.75	+5.00	757
Jun 97	159.50	159.00	160.00	+5.00	2,748
Est. sales:13,697. Open int.:65,078 off 2,098					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Sep 96	20.00	19.76	19.93	—0.04	47,498
Oct 96	19.60	19.41	19.59	—0.02	51,836
Nov 96	19.20	19.05	19.21	+0.06	10,855
Dec 96	18.81	18.71	18.83	+0.06	17,390
Jan 97	18.47	18.38	18.50	+0.07	12,130
Feb 97	18.20	18.10	18.21	+0.06	6,516
Mar 97	17.94	17.87	17.95	+0.06	5,846
Apr 97	17.64	17.64	17.72	+0.05	4,441
May 97	17.44	17.44	17.52	+0.04	1,549
June 97	17.35	17.30	17.33	+0.01	4,024
Est. sales: 28,822. Open int.:162,535 off 1,836					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Sep 96	668.20	662.10	662.50	—3.70	178,265
Dec 96	674.10	668.80	668.40	—3.75	10,472
Mar 97	680.00	674.10	680.00	+2.05	1,635
Est. sales N.A. Thu's. sales 49,339					
Thu's open int 119,125 off 7120					
FTSE 100 (LIFFE) £25 per index point					
Sep96	3819.0	3815.0	3811.0	— 7.0	61,340
Dec96	N.T	N.T	3832.5	— 7.0	3,815
Mar97	N.T	N.T	3842.0	— 5.0	310
Est. sales: 8,914. Prev. sales: 8,578					
Prev. open int.: 65,465 up 377					
CAC 40 (MATIF) FF200 per index point					
Aug 96	2002.0	1983.0	1987.0	— 12.50	24,008
Sep 96	2004.0	1989.5	1992.5	— 12.50	21,404
Oct 96	2004.0	2004.0	1998.0	— 12.50	50
Dec 96	2015.0	2010.0	2010.5	— 12.50	4,311
Mar 97	0.00	0.00	2029.5	— 12.50	4,373
Sep 97	0.00	0.00	2011.0	— 12.50	4,960
Mar 98	0.00	0.00	2060.0	— 12.50	2,320
Est. volume: 11,905. Open int.: 61,426 up 106.					

Commodity Indexes

	Close	Previous
Moody's	1,521.70	1,511.20
Reuters	1,938.50	1,931.60
D.J. Futures	146.36	146.63
CRB	246.14	246.42

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German States Join In Single Bond Issue

Compiled by Our Staff From Dispatches

FRANKFURT — Seven German states will sell up to 4 billion Deutsche marks ($2.69 billion) of a new 10-year bond Monday in a bid to lower costs and attract foreign investors, the Finance Ministry of the state of Rhineland-Palatinate said Friday.

But analysts said the new so-called "jumbo" bond was drawing a tepid response from investors.

The bond, the first that German states ever joined forces to sell on the international market, will be priced Monday, Georg Schwarz, treasurer of the state of Rhineland-Palatinate, said Friday.

The new bond will carry a coupon of 6.25 percent, the same as the current benchmark bond, and will have a yield of 17 basis points over comparable federal government bonds, the Finance Ministry of Hesse said.

The bond, to be called "Laenderschatzanweisung Nr. 1," or State Treasury Note No. 1, will be issued by the states of Berlin, Hamburg, Hesse, North Rhine-Westphalia, Rhineland-Palatinate, Saxony-Anhalt and Schleswig-Holstein.

North Rhine-Westphalia will have the largest share of the bond with 1 billion DM, while the remaining states will issue 500 million DM each.

The issue will be underwritten by a consortium of 10 lead managers, who will underwrite 300 million DM of the issue.

The lead-managers are ABN Amro Bank, Commerzbank AG, DG Bank, Dresdner Bank AG, Deutsche Morgan Grenfell, Landesbank Hessen-Thueringen, Paribas Capital Markets, Schweizerische Bankgesellschaft Deutschland AG (UBS), Trinkaus & Burkhardt KGaA and Westdeutsche Landesbank.

The remaining 1 billion DM of the issue will be underwritten by regional banks in the states involved.

In 1995, states tapped the bond market to cover barely one-fifth of their 108 billion DM in debt financing, with the bulk raised by a form of privately placed bearer bonds.

The bond is the first pooled bond issue by federal states.

State bonds on the open market often come in lots smaller than 100 million DM, a fraction of the 10 billion DM bonds typically sold by the federal government. State financing costs are 15 to 25 basis points higher as a result.

On July 31, the state of Bavaria sold 500 million DM of 6.5 percent 10-year bonds.

"Merging the states together is a good idea," said Sofia Hoberg, a fund manager at Internationale Kapitalanlagegesellschaft mbH in Dusseldorf. "It makes the bond more liquid and more attractive to foreign investors."

Sales people said foreign interest in the new bond was coming mainly from Japan and Benelux countries, but that foreign investors were holding back until they had seen the details on Monday.

"There's plenty of interest from Asia, especially as far as the legal situation of such bonds and German states is concerned," said Eugen Burkart, a salesman at Industrial Bank of Japan. "But people will want to look carefully at the details first."

Factors hampering demand included reports that rating companies would not give the bond the triple "AAA" rating awarded to federal debt and that banks believed there had not been enough preparation by the states, analysts said.

But Rabbani Wahhab, a fund manager at GH Asset Management in London, said there was no problem with the credit quality of the individual German states. But some traders said many investors would demand extra yield because the new jumbo issue was from several states borrowing at once.

(Bloomberg, Reuters)

Finns' Exports Spark Growth

Compiled by Our Staff From Dispatches

HELSINKI — The Finnish economy will grow 3.5 percent next year after expanding 2.4 percent this year as exports continue to pick up at the end of this year, according to the Organization for Economic Cooperation and Development.

"After its significant slump in the early 1990s, the Finnish economy has posted a strong recovery since 1993, helped by booming exports and increased investment in the related manufacturing industries," the OECD said. "The challenge for policymakers is now to ensure that the cyclical rebound is translated into sustained growth."

However, the OECD said Finland has a "dual economy," with gross domestic product expanding by more than 4 percent last year but with unemployment hovering around 17 percent.

The GDP growth reflected Finland's burgeoning exports, notably in forestry products. High unemployment was blamed on stagnant domestic industries producing goods for domestic use. *(Bloomberg, AP)*

Police Raid Homes Of Copper Brokers

British Probe Involves Sumitomo Deals

Compiled by Our Staff From Dispatches

LONDON — Police have raided the homes of two of the owners of the British trading house Winchester Commodities Group Ltd., through which Sumitomo Corp. of Japan carried out business on the London copper market, a British press report said Friday.

The Guardian said documents were seized after officers from the Serious Fraud Office carried out the searches as part of a global investigation into alleged fraud in the copper market that Sumitomo says cost it $1.8 billion.

The raid on the British homes of Charles Vincent and Ashley Levett followed weeks of investigation, the paper added.

The investigators launched their inquiry into the activities of the metals brokers after Sumitomo disclosed in June that its chief copper trader, Yasuo Hamanaka, had racked up at least $1.8 billion in losses. Winchester had extensive dealings with Mr. Hamanaka.

Mr. Vincent and Mr. Levett, who now live in Monaco but maintain homes in England, have repeatedly said Winchester would be willing to help in any inquiries into the Sumitomo affair.

Both Mr. Vincent and Mr. Levett have quit as directors of Winchester, but continue to own the company, The Guardian said, adding that the company paid them £15 million ($22.3 million) each last year, placing them among Britain's highest-paid businessmen. *(AFP, NYT)*

ABB Gets Recommendation After Rise in Half-Year Profit

Reuters

ZURICH — CS Research recommended Friday that investors overweight the Swiss-Swedish industrial concern ABB Asea Brown Boveri Ltd. in their portfolios.

CS noted that ABB's net profit in the first half, which was reported on Thursday, rose 22 percent in a difficult business environment. A planned capital repayment of 50 francs per share from the Swiss parent was also seen as positive.

On Friday, ABB's bearer shares ended in Zurich at 1,473 Swiss francs, down 19 for the day.

■ Strong Debut for Somerfield

Shares in Somerfield PLC rose almost 10 percent to 159 pence ($2.46) after the supermarket chain started trading Friday on the London Stock Exchange, Bloomberg Business News reported.

Its flotation price was 145 pence.

Kohl Predicts End to Surcharge

Reuters

BONN — Chancellor Helmut Kohl said Friday that the unpopular "solidarity" income-tax surcharge to help fund German reunification would be gone by the year 2000.

Asked by an RTL television interviewer whether taxpayers would still be paying the levy in that year, Mr. Kohl said, "I believe not."

"I think one can safely predict this," he said. "I think this issue will be dealt with as part of an overall tax reform."

Mr. Kohl's center-right government is battling to get its finances in shape to qualify for the single European currency, but it has also said it intended to cut the 7.5 percent income-tax surcharge by one percentage point in each of the next two years.

Interviewed during his summer vacation in Austria, Mr. Kohl said he was still intent on having the tax-reform package adopted by the election year 1998 so that it could take effect at the start of 1999.

The idea of raising value-added tax rates, as already floated by the government, will be addressed as part of the reform, he said.

"Everything is only possible within an overall package," he said. "It is not a question of raising value-added tax unilaterally to fill state coffers, but rather of balancing out the overall tax burden."

France Posts A Widening In Surplus

Compiled by Our Staff From Dispatches

PARIS — France's surplus in its current account widened in May, reflecting a stronger surplus in trade in goods, and consumer confidence turned up a little in July although the French are still worried about unemployment.

The surplus in the current account, the widest measure of trade, rose to a provisional 6.98 billion French francs ($1.38 billion) in May from a revised 4.56 billion francs in April, the Finance Ministry reported Friday. The ministry initially had estimated the April surplus at 1.75 billion francs, which would have been the lowest since August 1995.

The current account covers trade in goods and services as well as investment income and government payments to and from international organizations.

For the first five months of the year, the current-account surplus narrowed slightly to 50.36 billion francs from 50.38 billion francs for the same period last year.

There was a net outflow of direct investments of 8.9 billion francs and an outflow of 61.7 billion francs of investments in securities. These elements were offset by an inflow of other investments of 54.2 billion francs.

French residents bought 48.3 billion francs of foreign securities, while nonresidents sold a net 13.3 billion francs of French securities. The sales included 28.4 billion francs of bonds and 14.1 billion francs of money-market funds.

The capital account showed an unadjusted deficit of 111 million francs.

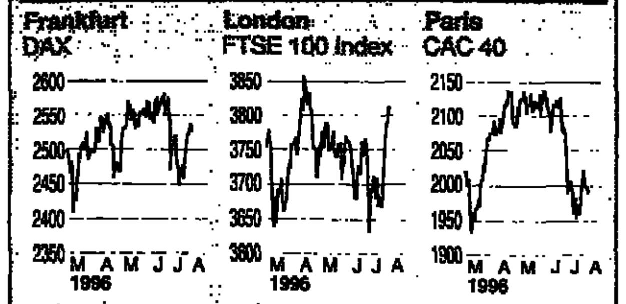
French consumers' pessimism eased in July for the second consecutive month, although fear of joblessness prevailed, the national statistics office INSEE said Friday.

The confidence index rose to minus 35 from minus 37 in June and from its May low point of minus 38, the poorest confidence showing since INSEE started the survey in January 1987. INSEE said French households were slightly more upbeat about their personal situation and the direction it would take. Households polled said their financial situation had improved and rated their current standing as stable.

On the other hand, the institute said, households' wariness of unemployment "deteriorated clearly this month."

Statistics released last week showed unemployment returning to a postwar high in June, at 12.5 percent of the work force, up from 12.4 percent in May. *(Bloomberg, AFX)*

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	EOE	549.48	550.20	-0.13
Brussels	Stock Exchange	9,504.64	9,500.99	+0.04
Frankfurt	DAX	2,525.64	2,538.15	-0.49
Copenhagen	Stock Market	415.23	416.10	-0.21
Helsinki	HEX General	2,074.57	2,072.15	+0.12
Oslo	OBX	450.07	451.12	-0.23
London	FTSE 100	3,810.70	3,811.42	-0.02
Madrid	Stock Exchange	354.32	357.61	-0.92
Milan	MIBTEL	9,531.00	9,662.00	-1.36
Paris	CAC 40	1,989.54	1,997.42	-0.39
Stockholm	SX 16	2,034.40	2,035.47	-0.05
Vienna	ATX	1,040.14	1,035.11	+0.49
Zurich	SPI	2,339.85	2,345.93	-0.26

Source: Telekurs — International Herald Tribune

Very briefly:

- **Germany's** retail industry association said summer sales were more of a success this year than in recent years. Summer sales, which run from July 29 to Aug. 10, rose between 7 percent and 11 percent from 1995 in the first week of the sales. But July retail sales were down 4 percent on the year.
- **Hamburg Economic Research Institute HWWA** said foreign investment was unlikely to increase Germany's employment. It also said the lack of foreign investment as well as jobs moving abroad indicated Germany's weakness as an industrial location.
- **Western Germany's** annual inflation rate rose to 1.3 percent in July from 1.2 percent in June because of more expensive package tours during the summer tourist season. Germany's inflation rate rose 0.3 percent on the month and 1.6 percent on the year.
- **Docks de France SA** said second-quarter sales fell 1.25 percent to 11.82 billion French francs ($2.34 billion). The French supermarket operator last month agreed to be taken over by rival **Auchan SA.**
- **Wellington Underwriting Holdings and Wellington Underwriting PLC,** which operate in the **Lloyd's of London** insurance market, said they would merge their operations.
- **Indemnity Insurance Services,** a specialist insurance broker and **Lloyd's of London** adviser, forecast that Lloyd's would make a £1.07 billion ($1.7 billion) profit for 1994, a return of 9.87 percent on capacity. Lloyd's is also forecast to make a profit of £901.9 million for 1995, which is equal to a return of 9.01 percent on capacity.
- **Britain's** share of the costs for the Eurofighter project, has soared by £1.3 billion to £15.4 billion, the National Audit Office said. The military jet is being built by the governments of Britain, France, Germany and Italy.
- **The Bank of Spain** estimated gross domestic product grew an annual 1.9 percent in the second quarter, unchanged from the first quarter.
- **Dutch** producer prices were down 0.5 percent in June from May but rose 0.8 percent from a year earlier.

AFP, Reuters, Bloomberg, Knight-Ridder

WORLD STOCK MARKETS

Friday, Aug. 9
Prices in local currencies.
Telekurs

Amsterdam — EOE Index: 549.48, Previous: 550.20

Stock	High	Low	Close	Prev.
ABN-AMRO	92.80	91.70	92.50	92.30
Aegon	80.90	79.60	80	80.70
Ahold	85.10	84.80	85	84.90
Akzo Nobel	188.90	187.30	187.70	187.70
Bols Wess cva	28.30	27.80	28.20	28.10
CSM cva	80.90	80.90	80.90	81.10
Dordtsche Pet	269.50	266.50	267.20	268.20
DSM	152.10	150.20	152.10	151.50
Elsevier	26.40	25.80	26.10	26.40
Fortis Amev	50.70	48.90	50.50	49.80
G-Broc cva	52.50	51.80	52.10	52.50
Hagemeyer	126.40	125	126.40	126.40
Heineken	371.30	367	368	369.20
Hoogovens	60	59	59.50	59.80
Hunt Douglas	122	120.50	120.50	122
ING Group	52.90	51.50	52.50	51.90
KLM	49.70	47.80	49	48.40
KNP BT	36.50	36.10	36.30	36.60
KPN	62.50	61.30	62.10	62.40
Nedlloyd Gp	37	36.80	37	36.80
Nutricia	188.80	187	188.20	188.20
Oce Grinten	167.80	166.20	167.50	166.50
Pakhoed	42.70	42.40	42.60	42.70
Philips Elec	54.90	54.10	54.70	55.10
Polygram	99.90	97.50	99.90	98.70
Randstad Hdg	122.50	121.20	121.40	121.50
Robeco	123.10	122.70	123.10	123.50
Rodamco	47	46.40	46.80	46.70
Rolinco	132.60	132.40	132.40	132.40
Rorento	97.90	97.80	97.80	97.80
Royal Dutch	250.50	247.90	248.50	249.80
Stork	49.40	48.30	49	49.30
Unilever cva	236	234.50	234.80	236.90
VNU	27.70	27.10	27.40	27.50
Wolters Kl cva	203.80	200.80	203.50	203.10

Bangkok — SET Index: 1119.33, Previous: 1138.42

Stock	High	Low	Close	Prev.
Adv Info Svc	334	328	330	334
Bangkok Bk F	320	310	310	320
Krung Thai Bk	110	108	109	110
PTT Explor	348	342	346	346
Siam Cement F	1060	1006	1024	1072
Telecomasia	47.75	47.25	47.75	48
Thai Airways	51.50	48	51.50	52
Thai Farm Bk F	252	252	252	250
Thai Teleph	48.25	47.50	48	48.25
Utd Comm	296	290	296	298

Bombay — Sensitive Index: 3543.44, Previous: 3509.18 (Thursday, Aug. 8)

Stock	High	Low	Close	Prev.
Assoc Cement	2195	2131.25	2142.25	2134.50
Grasim Ind	473	468	469.50	473.25
Hindalco Ind	1002	988	990	1004
Hindust Lever	890.25	863	865.50	875.75
Indian Hotels	776.25	765	770	763
ITC	308.50	302.50	304	307.50
Larsen Toubro	258.25	252	252.50	256.75
Reliance Ind	213.75	207.50	207.75	212.50
Tata Eng Loco	504.25	500	502	500
Tata Iron St	201	192.25	192.50	199.75

Brussels — Stock Exchange Index: 9504.64, Previous: 9500.99

Stock	High	Low	Close	Prev.
Arbed	3590	3475	3480	3490
Barco Ind	5050	5020	5050	5030
BBL	5880	5850	5880	5870
Bekaert	25200	24775	24900	25125
CBR	2330	2320	2330	2330
CMB	2510	2480	2510	2490
Cockerill	137	135	137	135
Cobepa	11100	11025	11075	11075
Delhaize Lion	1660	1645	1655	1650
Electrabel	6930	6900	6930	6910
Electrafina	2810	2750	2810	2795
Fortis AG	4295	4265	4295	4285
GIB	1406	1396	1400	1398
GBL	3955	3930	3955	3940
Gen Banque	11325	11225	11300	11225
Glaverbel	3220	3200	3210	3195
Kredietbank	9650	9540	9600	9670
Mosane	2300	2300	2300	2300
Petrofina	9500	9450	9500	9490
Powerfin	4480	4400	4440	4500
Recticel	285	285	285	285
Royale Belge	6110	5810	6010	6080
Soc Gen Belg	2400	2390	2395	2390
Solvay	18300	18150	18300	18125
Tessenderlo	10600	10500	10500	10600
Tractebel	13375	13275	13350	13250
UCB	61100	60800	60100	60500
Union Miniere	2285	2265	2285	2270

Copenhagen — Stock Index: 415.23, Previous: 416.10

Stock	High	Low	Close	Prev.
Carlsberg B	350	345	348	352
Danisco	316	299.90	313	317
Den Danske Bk	403	395	396	402
D/S Svendborg A	204000	202000	203800	202750
D/S 1912 A	141000	140000	141000	141750
East Asiatic Co	121	118	118	121
FLS Ind B	660	649	656	650
ISS Intl Svc B	137	134	135	136
Nvo Nordisk B	861	850.72	854.22	858
Radiometer B	373	365.45	370	370
Sophus Ber B	782	775	779	782
Tele Danmk B	264	259	260	263
Unidanmark A	275	269.60	272	275

Frankfurt — DAX: 2525.64, Previous: 2538.15

Stock	High	Low	Close	Prev.
AMB	1140	1100	1140	1100
AEG	154	153	155	158
Allianz Hdg	2737	2707	2715	2737
Altana	1128	1110	1110	1121
Badenwerk	560	560	560	551
BASF	41.10	40.72	40.85	41.23
Bayer Hypo Bk	43.31	42.75	43.18	43.50
Bay.Vereinsbank	51.88	51.60	51.85	51.90
Bayer	51.40	50.90	51.10	51.27
Berliner Kraft	423	418	422	420
BHF Bank	40	39.90	39.90	40.10
BMW	842	839	839	842
CKAG Colonia	0000	0000	0000	0000
Commerzbank	347.80	346.20	347.80	348.20
Daimler Benz	78.65	78.15	78.45	78.85
Degussa	507	501	501	506.50
Deutsche Bank	75.20	74.90	75.07	74.85
Dresdner Bank	40.95	40.80	40.95	41.10
Heidelbg Zmt	1010	1005	1000	1085
Henkel	61.40	60.50	61	61.50
Hochtief	66.50	65.60	66.50	66
Hoechst	50.65	50.30	50.65	51.12
Holzmann Ph.	380	372	377	377
Karstadt	545	542	543.50	543
Linde	941	938	939	938
Lufthansa ord	207.20	206.20	207.30	206
MAN	365.90	364.90	365	367
Mannesmann	523.50	522	522.80	526.50
Metro	138.50	137.80	138.45	138.10
Muench Rueck	3525	3485	3505	3550
Preussag	357	352	356.50	354
PWA	198	196.50	196.50	194
RWE	53.97	53.70	53.85	53.95
SAP pfd	232.50	231.20	232.50	232
Schering	110.50	109	109.80	110.80
Schmalb Lub	274	272	273	272
Siemens	78.70	78.51	78.60	79.80
Suedzucker	778	770	770	760
Thyssen	266.30	261.50	261.70	268
Veba	76.85	76.64	76.65	77
VEW	480	473	480	473
Viag	564	561.50	562	561
Volkswagen	521	517.75	518.50	521
Wella	888	870	883.50	876

Helsinki — HEX General Index: 2074.57, Previous: 2072.15

Stock	High	Low	Close	Prev.
Cultor 1	224	222	222	224
Enso R	38	37.50	38	37.40
Huhtamaki IF	151	151	151	150
Kesko	71.40	70.50	71	71
Kone BF	510	508	510	505
Merita A	9.99	9.87	9.90	9.90
Metra BF	235	231	233	230
Metso-Serla B	34.40	33.90	34.10	33.80
Nokia Prf F	182	175	175.80	181
Outokumpu A	87	84.50	87	85
Rautaruukki	36.90	36.50	36.90	36.70
Stockmann A	260	258	260	260
UPM-Kymme	102	100	101.90	100
Valmet A	72	71.80	72	71.50

Hong Kong — Hang Seng: 11104.00, Previous: 11164.49

Stock	High	Low	Close	Prev.
Amoy Props	9.85	8.95	9	9.10
Bk East Asia	29.70	29.15	29.25	29.70
Cathay Pacific	12.95	12.80	12.90	12.85
Cheung Kong	55	54.50	54.75	55
China Light	32.50	32.20	32.30	32.60
Chin Estates	6.60	6.55	6.55	6.60
Citic Pacific	33.90	33.40	33.80	34
Cons Elec Pwr	14.80	14.20	14.60	14.20
Dao Heng Bk	31	30.70	31	30.70
First Pacific	12.40	12.20	12.20	12.40
Great Eagle	22.55	22.35	22.35	22.65
Guangdong Inv	5.55	5.35	5.50	5.50
Guoco Group	38	37.50	37.60	38
Hang Lung	14.80	14.70	14.75	14.90
Hang Seng Bk	79.75	79.25	79.50	79.75
Henderson Inv	7.50	7.40	7.45	7.40
Henderson Ld	58.50	57.75	58.25	58.25
HKR Intl	9.10	8.95	9.10	9
HK Aircraft	20.40	20	20	20.45
HK China Gas	12.50	12.35	12.45	12.50
HK Electric	23.40	23	23.05	23.70
HK Shang Htls	13.40	13.25	13.25	13.45
HK Telecomm	13	12.85	12.85	13
Hopewell Hdgs	4.43	4.35	4.38	4.40
HSBC Hdgs	134	132.50	132.50	132.50
Hutchison Wh	47.30	46.90	47.10	47.50
Hysan Dev	23.20	23.10	23.20	23.05
Johnson El 500	17.70	17.35	17.35	17.90
Miramar Hotel	15.50	15.45	15.45	15.60
Natl Mutual	6.30	6.30	6.30	6.25
New World	36	35.70	35.80	35.90
Oriental Press	4.10	4	4.05	4.13
Orient Telecom	0.30	0.28	0.29	0.28
Shangri-La	10.20	10.10	10.15	10.25
SHK Props	75.75	75	75.50	75.75
Shun Tak Hdgs	4.83	4.75	4.78	4.85
Sino Land Co.	7.70	7.50	7.70	7.60
Sth China Post	5.35	5.30	5.35	5.50
Swire Pac A	67	66.50	67	67
Tsim Sha Tsui	9.90	9.75	9.90	9.80
TV Broadcasts	29.80	29.30	29.80	29.70
Wharf Hdgs	28.50	28.40	28.50	28.45
Wheelock	14.85	14.60	14.65	14.85

Jakarta — Composite Index: 547.71, Previous: 548.18

Stock	High	Low	Close	Prev.
Astra Intl	2325	2300	2325	2300
Barito Pacific	1475	1475	1475	1475
Gudang Garm	8850	8825	8850	8825
Indah Kiat	2125	2075	2125	2125
Indocement	6600	6600	6600	6700
Indofood	N.T.	N.T.	N.T.	10000
Indorayon	1825	1825	1825	1825
Indosat	7250	7150	7150	7325
Kalbe Farma	4450	4375	4425	4450
Sampoerna	23600	23550	23600	23725

Markets Closed

Stock markets in Johannesburg and Singapore were closed Friday for a holiday.

Kuala Lumpur — Composite: 1105.28, Previous: 1100.72

Stock	High	Low	Close	Prev.
Genting	17.70	17.60	17.60	17.70
Hicom Hldgs	7.20	7	7.20	7.25
Mal Banking	22.90	22.60	22.90	22.60
Mal Intl Ship F	7.90	7.85	7.85	7.85
Public Bank F	5.05	5	5	5
Resorts World	13.30	13	13.30	13.20
Sime Darby	7.85	7.75	7.80	7.80
Telekom Mal	21.80	21.40	21.80	21.40
Tenaga	9.30	9.20	9.20	9.30
Utd Engineers	17.70	17.50	17.60	17.50

London — FT-SE 100: 3810.70, Previous: 3811.40

Stock	High	Low	Close	Prev.
Abbey Natl	5.96	5.76	5.83	5.95
Allied Domecq	4.50	4.43	4.47	4.45
Anglian Water	5.78	5.72	5.72	5.74
Arjo Wiggins	1.78	1.74	1.75	1.74
Asda Group	1.17	1.15	1.16	1.16
Assoc Br Foods	4	3.97	3.98	3.99
BAA	4.82	4.42	4.79	4.76
Barclays	8.90	8.78	8.88	8.80
Bass	8.25	8.15	8.25	8.19
BAT Ind	5.68	5.06	5.10	5.10
Bank Scotland	2.48	2.45	2.47	2.45
BICC	3.24	3.18	3.18	3.23
Blue Circle	3.77	3.65	3.76	3.71
BOC Group	9	8.91	8.92	8.96
Boots	6.19	6.12	6.15	6.16
Bowater	3.73	3.68	3.73	3.68
BPB Ind	3.54	3.52	3.52	3.54
Brit Aerosp	9.39	9.31	9.37	9.39
Brit Airways	5.22	5.17	5.20	5.23
Brit Gas	2.03	2	2.03	2.02
Brit Petm	6.16	6.03	6.13	6.03
Brit Steel	1.84	1.76	1.79	1.83
Brit Telecom	3.89	3.73	3.75	3.77
BTR	2.60	2.53	2.57	2.57
Burmah Cast	10.22	9.99	10.19	10.02
Cable Wireless	4.15	4.07	4.15	4.12
Cadbury Schw	5.19	5.10	5.17	5.18
Caradon	2.05	2.01	2.03	2.02
Carlton Comm	4.74	4.67	4.74	4.74
Coats Viyella	1.67	1.56	1.57	1.59
Comml Union	6.14	6.05	6.13	6.11
Courtaulds	4.89	4.48	4.48	4.49
De La Rue	6.13	6.06	6.11	6.11
Eng China Cl	2.62	2.55	2.56	2.55
Enterprise Oil	4.90	4.83	4.87	4.83
Fam Colonial	1.58	1.56	1.58	1.58
Genl Accident	6.70	6.63	6.64	6.69
GEC	3.77	3.73	3.76	3.75
GKN	10.22	10.16	10.18	10.19
Glaxo	9.04	8.83	9	8.90
Granada Gp	8.95	8.28	8.29	8.38
Grand Met	4.52	4.43	4.52	4.50
GRE	2.45	2.41	2.44	2.44
Guinness	4.77	4.69	4.70	4.77
GUS	6.18	6.06	6.10	6.13
Hanson	1.70	1.63	1.68	1.65
Hillsdown Hdg	1.83	1.80	1.81	1.83
HSBC Hldgs	11.28	11	11.15	11.22
ICI	8.02	7.95	7.98	8.01
Inchcape	2.79	2.68	2.76	2.68
Kingfisher	6.47	6.34	6.39	6.44
Ladbroke	1.98	1.91	1.94	1.92
Land Sec	6.72	6.63	6.64	6.71
Laporte	7.38	7.16	7.16	7.30
Lasmo	1.88	1.85	1.87	1.86
Legal Genl Grp	7.22	7.13	7.13	7.22
Lloyds Abbey	5.59	5.45	5.45	5.60
Lloyds TSB Gp	3.48	3.41	3.44	3.47
London Elec	6.52	6.45	6.49	6.42
Lucas Ind	2.36	2.29	2.31	2.31
Marks Spencer	5.07	4.81	4.83	4.84
MEPC	4.30	4.20	4.29	4.29
Mercury Asset	9.70	9.60	9.70	9.60
Midlands Elec	4.50	4	4	4
Natl Power	4.14	4.08	4.09	4.13
NatWest	6.55	6.41	6.50	6.46
News Intl	3.73	3.66	3.66	3.56
Nth West Wtr	6.07	5.95	5.95	6.07
Nthern Foods	1.91	1.89	1.90	1.89
P&O	5.10	5.04	5.09	5.05
Pearson	6.50	6.43	6.45	6.46
Pilkington	1.93	1.90	1.91	1.92
PowerGen	5.20	5.07	5.14	5.11
Prudential	4.21	4.12	4.17	4.24
Rank Org	4.52	4.40	4.50	4.42
Reckitt Colm	6.73	6.69	6.73	6.73
Redland	4.28	4.21	4.25	4.25
Reed Intl	11.45	11.27	11.35	11.47
Rentokil	4.20	4.16	4.20	4.20
Reuters Hdgs	7.45	7.32	7.36	7.33
RMC Group	10.32	10.24	10.29	10.33
Rolls Royce	2.23	2.20	2.20	2.22
Royal Bk Scot	5.05	5.01	5.03	5.04
RTZ reg	9.25	9.17	9.19	9.25
Royal & Sun All	3.95	3.87	3.87	3.93
Safeway	3.44	3.38	3.42	3.44
Sainsbury	3.97	3.92	3.96	3.94
Schroders	13.35	13.20	13.30	13.35
Scot Newcastle	6.56	6.51	6.55	6.57
Scot Power	3.27	3.14	3.27	3.25
Sears	0.98	0.96	0.96	0.96
Severn Trent	6.14	5.90	5.92	6.01
Shell Trsp reg	9.28	9.23	9.25	9.27
Siebe	9.04	8.94	9.03	8.97
Smith Nephew	1.97	1.95	1.95	1.96
Smith (WH)	4.95	4.88	4.92	4.89
SmithKline	6.97	6.88	6.96	6.99
Smiths Ind	7.45	7.35	7.37	7.35
Sthern Elec	7.03	6.84	6.95	6.87
Stand Charter	7.11	6.97	7.01	7.10
Tate & Lyle	4.68	4.64	4.65	4.67
Tesco	3	2.96	2.97	2.99
Thames Water	5.63	5.57	5.60	5.60
Thorn EMI	17.93	17.75	17.90	17.89
3i Group	4.59	4.42	4.47	4.44
TI Group	5.22	5.14	5.22	5.18
Tomkins	2.65	2.58	2.64	2.60
Unilever	12.53	12.32	12.45	12.46
Utd Biscuits	2.13	2.10	2.12	2.11
Utd News	6.80	6.73	6.77	6.77
Vendome uts	5.94	5.89	5.94	5.90
Vodafone	2.44	2.40	2.44	2.44
Whitbread	6.98	6.92	6.95	6.96
Williams Hdgs	3.41	3.37	3.41	3.39
Wolseley	4.42	4.35	4.40	4.41
Zeneca	14.29	14.20	14.25	14.23

Madrid — Bolsa Index: 354.32, Previous: 357.61

Stock	High	Low	Close	Prev.
Acerinox	12900	12640	12640	12900
ACESA	1375	1350	1370	1380
Argentaria	5060	4985	5000	5090
BBV	5380	5300	5320	5400
Banesto	819	802	812	815
Bankinter	14610	14500	14500	14650
Bco Centro Hisp	2570	2510	2545	2575
Bco Exterior	2815	2810	2815	2815
Bco Popular	21650	21250	21250	21700
Bco Santander	6310	6260	6260	6320
CEPSA	3875	3810	3870	3900
Corp Mapfre	5940	5810	5850	5860
Dragados	1600	1580	1590	1590
Endesa	7560	7480	7540	7560
FECSA	948	929	929	940
Fomento Const	10450	10390	10400	10510
Gas Natural	25260	24580	24590	25150
Hidrocl Cantab	4130	4075	4100	4140
Iberdrola	1175	1160	1175	1180
Pryca	2955	2915	2915	2965
Repsol	4120	4045	4055	4130
Sevillana Elec	1050	1020	1050	1050
Tabacalera	5200	5100	5110	5160
Telefonica	2260	2240	2255	2260
Union Fenosa	760	752	755	760
Valenc Cement	1315	1310	1315	1320

Manila — PSE Index: 3088.19, Previous: 3112.79

Stock	High	Low	Close	Prev.
Ayala A	18.25	18	18	18.25
Ayala Land	31	30.50	31	31
Manila Elec A	108	106	106	108
Metro Bank	570	550	550	555
Petron	11	10.50	10.50	11
Phil Long Dist	1555	1545	1545	1545
San Miguel A	41.50	41	41	41.50
San Miguel B	79	78.50	79	79
SM Prime Hdg	6.60	6.50	6.50	6.50

Mexico — Bolsa Index: 3219.82, Previous: 3185.40

Stock	High	Low	Close	Prev.
Alfa A	32.90	32.10	32.10	32.35
Cemex B	29.70	29.15	29.45	29.00
Cifra C	11.64	11.50	11.50	11.50
Empresas ICA	111.50	110.90	111.40	110.70
Emp Moderna	36.70	34.50	36.00	34.40
Femsa	22.85	21.90	22.60	22.00
Gpo Carso A1	35.10	33.95	34.75	33.95
Televisa CPO	112.00	110.50	111.00	109.30
TelMex L	12.04	11.92	11.98	11.92
Tribasa	15.80	15.50	15.50	15.50

Milan — MIB Telematico: 9531.00, Previous: 9662.00

Stock	High	Low	Close	Prev.
Alleanza Assic	12170	11800	12170	12170
Bca Comm Ital	2925	2860	2870	2950
Bca Naz Agricol	812	805	812	810
Bca Naz Lavoro	11000	10875	10875	10960
Bca di Roma	1235	1186	1210	1230
Bco Ambrosiano	3890	3800	3800	3885
Benetton	17400	16800	16975	17300
Credito Italiano	1730	1676	1676	1709
Fiat	4880	4750	4785	4840
Fondiaria	6615	6420	6420	6690
Generali Assic	35450	34900	35000	35400
IFIL	4000	3865	3940	4000
Italcementi	10350	10120	10210	10485
Italgas	5220	5115	5155	5195
Mediobanca	8920	8645	8645	8760
Montedison	N.T.	N.T.	N.T.	795
Olivetti	756	721	730	753
Pirelli	2480	2445	2450	2485
RAS	14645	14150	14150	14580
Rinascente	9500	9100	9500	9500
S Paolo Torino	9160	8975	9030	9165
SME	N.T.	N.T.	N.T.	2010
Stando	14000	13600	14000	13600
Stet	4800	4685	4715	4805
Telecom Italia	2905	2830	2840	2905
Toro Assic	17400	17320	17400	17595

Montreal — Industrials Index: 2339.53, Previous: 2328.01

Stock	High	Low	Close	Prev.
Atco I	20.20	20.05	20.10	20.20
Bank Montreal	33.55	33.45	33½	33.30
Bce Mob Com	42.10	42	42	42.20
Cdn Tire A	N.T.	N.T.	N.T.	16.90
Cdn Util A	28.55	28.35	28.45	28½
Cascades	5.65	5.55	5.45	5.55
CT Finl Svc	25¾	25.65	25.65	26
Extendicare	16.55	16.45	16.45	16.45
Gaz Metro	15¾	15.65	15¾	15.65
Gt-West Lifeco	N.T.	N.T.	N.T.	35½
Hees Intl Bcp	16½	16.15	16.40	16.10
Hudson's Bay	20.95	20.80	20.90	20.85
Imasco	28	27	27	28
Investors Grp	18.40	18¼	18.40	18
Loblaw Cos	11.60	11.55	11.55	11.65
Molson A	20.65	20.65	20.65	20½
Natl Bk Canada	11.60	11½	11.60	11½
Oshawa A	20.40	20.40	20.40	20.35
Pancdn Petlm	49¼	49¼	49¼	48
Power Corp	23	22¾	22.90	22.80
Power Finl	39	38.95	38.95	38.95
Quebecor B	21½	21.45	21½	21½
Rogers Comm B	11.35	11.20	11¼	11.35
Royal Bk Cda	34.60	34.35	34.35	34.30
Sears Canada	7¾	7.70	7.70	7.70
Shell Cda A	47.45	47	47	47
Southam	16.40	16.20	16.40	16.15
Stelco A	6.15	6.10	6.10	6.15
Trilon Finl A	5½	5.45	5.45	5.45

Oslo — OBX Index: 450.07, Previous: 451.12

Stock	High	Low	Close	Prev.
Aker A	129	127.50	127.50	129
Bergesen Dy B	134	134	134	134
Christiania Bk	16.50	16.20	16.50	16.40
Den norske Bk	21	20.90	21	21
SAS Norge ASA	64.50	64.50	64.50	64.50
Dyno Indust	139	138	139	138.50
Elkem	88	85.50	86	87.50
Hafslund A	47.50	47	47.50	47.50
Kvaerner	245.50	238	242	241.50
Leif Hoegh	112	111	112	111
Norsk Hydro	291	287.50	290	290.50
Norske Skog A	192	189	189	192
Orkla	346	344	346	345.50
Rieber B	N.T.	N.T.	N.T.	138
Saga Petlm B	87.50	87	87.50	88
Schibsted	91.50	91.50	91.50	92
UniStorebr A	34.90	30.80	34.80	34.80

Paris — CAC-40: 1989.54, Previous: 1997.42

Stock	High	Low	Close	Prev.
Accor	632	618	623	624
AGF	137.40	135.70	137.30	136.40
Air Liquide	875	866	870	873
Alcatel Alsth	407	401	404.40	406.90
Axa	286	280.20	282	281.10
Bancaire	531	523	525	528
BNP	178.70	176.20	176.30	177.50
Bouygues	537	524	528	534
Canal Plus	1173	1155	1164	1175
Carrefour	2699	2653	2678	2678
CCF	239	236.50	237.60	238.50
Credit Local d	410.90	406.10	408	412.20
Credit Lyon PC	121.90	116	119	122
Crown Cork Seal	N.T.	N.T.	N.T.	235
Danone	735	726	730	733
Elf-Aquitaine	363	358.40	359	363.40
Eridania BS	725	712	720	722
Euro Disney	12.20	12.10	12.20	12
Eurotunnel uts	8.35	8.05	8.25	8.15
Gen. Eaux	528	519	526	524
Havas	352.90	344.80	349.30	350
Lafarge Cop	302	298	298.40	299
Legrand	833	815	821	824
L'Oreal	1573	1552	1563	1570
LVMH	1139	1119	1127	1132
Lyon. Eaux	464	457.50	460.90	465
Michelin B	238.90	234	238.90	236.50
Navig Mixte	728	727	728	725
Paribas A	318	308.90	310	315.80
Pechiney SA	210.70	209.50	210.70	210.70
Pernod Ricard	307.10	303.30	305	306
Peugeot Cit	604	592	600	596
Pinault-Print	1737	1689	1721	1704
Promodes	1304	1280	1284	1302
Renault	115	110.10	113.90	112.50
Rh-Poulenc A	130	127.80	130	128.80
Roussel-Uclaf	1138	1130	1135	1138
Sanofi	378.60	376	376	379.80
Schneider	230.40	228.20	229.50	230.30
Ste Generale	557	548	553	553
St Gobain	619	611	616	622
St Louis	1278	1250	1259	1279
Suez	176.90	173.70	174.90	177.20
Thomson CSF	136.90	136.10	136.30	136
Total B	357	352.20	355.70	359
UAP	101.90	100.10	101	101.60
Valeo	263.50	261	262.90	263

São Paulo — Bovespa Index: 63031.00, Previous: 62572.60

Stock	High	Low	Close	Prev.
Bco Brasil Pfd	9.590	9.250	9.450	9.350
Banespa Pfd	3.550	3.40	3.50	3.550
Bradesco Pfd	8.350	8.20	8.350	8.30
Brahma Pfd	656.00	645.00	647.00	644.00
Cemig Pfd	30.00	29.80	30.00	29.950
CESP Pfd	30.30	30.00	30.20	29.80
Eletrobras B	286.00	282.00	283.00	282.00
Itaubanco Pfd	412.00	410.00	410.00	412.00
Light	278.00	275.00	275.00	282.00
Paranapan Pfd	7.150	6.850	7.150	7.20
Petrobras Pfd	123.50	121.010	123.00	121.010
Sid Nacional	22.70	22.60	22.70	22.490
Souza Cruz	8.25000	8.15000	8.15000	8.15000
Telebras Pfd	77.30	75.70	76.60	75.80
Telesp Pfd	198.00	194.00	197.00	192.00
Usiminas Pfd	1.110	1.10	1.10	1.110
CVRD Pfd	19.5000	19.0500	19.2000	19.4000

Seoul — Composite Index: 832.61, Previous: 837.20

Stock	High	Low	Close	Prev.
Daewoo Heavy	6200	6060	6060	6060
Hyundai Eng	33800	33400	33400	33400
Hyundai Motor	32000	31600	31700	32000
Korea El Pwr	26600	26200	26300	26600
Korea Mob Tel	700000	690000	690000	695000
LG Electronics	16100	15700	16000	16000
Pohang Iron St	51500	50500	51100	51000
Samsung Elec	73000	71500	71800	73800
Samsung Hvy	11800	11600	11700	11700
Yukong	22800	22300	22400	22600

Stockholm — SX 16 Index: 2034.40, Previous: 2035.47

Stock	High	Low	Close	Prev.
AGA BF	109.50	107	108	108.50
ABB AF	730	718	726	718
AssiDoman F	156	154	156	156.50
Astra AF	279	275.50	279	277
Atlas Copco AF	121	119.50	120	119.50
Avesta F	64.50	63.50	64	64
Electrolux BF	362.50	355	361.50	356.50
Ericsson BF	142.50	137.50	138	141
Hennes BF	635	627	635	629
Incentive AF	364	360	364	365
Investor BF	242	238	238	239.50
Kinnevik BF	189.50	188	189	187.50
MoDo BF	179.50	175	179.50	175
Sandvik BF	146.50	145	146	145.50
SCA BF	141.50	138	141.50	139
S-E Banken AF	58.50	57.50	58	57.50
Skandia Fors F	167	165	166	167
Skanska BF	246	240	244	243
SKF BF	147	146	146	146.50
SSAB BF	85.50	84.50	84.50	84.50
Stora AF	86.50	84.50	86	84.50
Sv Handles AF	148	145	146.50	145.50
Sydkraft AF	155	147	155	147
Trelleborg BF	83.50	82.50	83.50	83
Volvo BF	143.50	141.50	142	143

Sydney — All Ordinaries: 2221.70, Previous: 2226.60

Stock	High	Low	Close	Prev.
Amcor	8.18	8.10	8.12	8.22
ANZ Bking	6.54	6.48	6.50	6.55
BHP	17.09	16.98	17.07	17.04
Boral	3.21	3.16	3.21	3.19
Brambles Ind.	18.75	18.45	18.70	18.64
Burns Philip	2.21	2.08	2.13	2.22
CBA	10.65	10.55	10.57	10.65
CC Amatil	16.25	15.49	16.20	15.55
Coles Myer	4.45	4.38	4.40	4.42
Comalco	7.28	7.24	7.28	7.24
CRA Ltd	18.60	18.50	18.60	18.59
CSR	4.42	4.38	4.40	4.42
Fosters Brew	2.29	2.26	2.27	2.25
GIO Australia	3.08	3.06	3.08	3.07
Goodman Fld	1.30	1.28	1.28	1.30
ICI Australia	11.42	11.19	11.20	11.48
John Fairfax	2.62	2.53	2.60	2.50
Lend Lease	19.98	19.68	19.68	20
Mayne Nickless	7.41	7.33	7.35	7.42
MIM Hdgs	1.54	1.51	1.52	1.53
Nat Aust Bank	12.02	11.83	11.94	12
News Corp	6.57	6.53	6.55	6.58
North Ltd	3.48	3.45	3.47	3.48
Pacific Dunlop	2.82	2.77	2.77	2.81
Pioneer Intl	3.68	3.65	3.66	3.67
Placer Pacific	1.77	1.73	1.74	1.77
Santos	4.68	4.63	4.66	4.67
Southcorp	3.28	3.22	3.23	3.28
Wesfarmers	7.66	7.58	7.65	7.60
Wstrn Mining	8.65	8.40	8.55	8.40
Westfield Trt	2.33	2.30	2.31	2.30
Westpac Bking	5.91	5.84	5.86	5.90
Woodside Pet	7.75	7.60	7.63	7.73
Woolworths	3.01	2.99	3	3.03

Taipei — Stock Market Index: 6315.66, Previous: 6341.93

Stock	High	Low	Close	Prev.
Asia Cement	51.50	50	51.50	51
Cathay Life Ins	166	163	166	166
Chang Hwa Bk	158	155	157	159
China Steel	27.20	26.70	27.10	26.90
China Trust	50.50	49.60	50.50	50.50
Evergreen	51	50	50	50.50
Far East Text	30.70	30.10	30.50	30.30
First Bank	163	160	163	164
Formosa CF	33	32.30	32.90	33.10
Hua Nan Bk	137.50	135.50	137	139.50
Hualon Teijran	23.90	23.60	23.60	24.10
ICBC	80	79	79.50	80.50
President Ent	41.20	40.20	41	40.60
Taiwan Cemt	55.50	55	55	56
Tatung	59	57.50	59	58

Tokyo — Nikkei 225: 20551.05, Previous: 20731.30

Stock	High	Low	Close	Prev.
Ajinomoto	1210	1190	1190	1200
All Nippon Air	1140	1110	1130	1140
Asahi Bank	1200	1180	1190	1200
Asahi Chem	736	730	730	735
Asahi Glass	1210	1200	1210	1210
Bk Tokyo Mitsu	2270	2240	2240	2260
Bk Yokohama	919	906	910	906
Bridgestone	1900	1890	1900	1910
Canon	2040	2020	2030	2040
Chiba Bank	904	894	894	904
Chubu Elec	2430	2400	2410	2420
Chugoku Elec	2320	2310	2310	2320
Daiei	1170	1110	1120	1170
Daiichi Kang	1830	1810	1810	1830
Daiwa Bank	705	697	697	701
Daiwa House	1610	1590	1600	1610
Daiwa Sec	1260	1230	1240	1260
Fanuc	4050	3990	4050	4010
Fuji Bank	2030	2000	2010	2040
Fuji Photo	3230	3190	3190	3220
Fujitsu	964	953	962	961
Hitachi	1020	997	1020	1000
Honda Motor	2550	2530	2550	2540
IBJ	2250	2230	2240	2240
IHI	519	512	513	523
Itochu	690	685	688	690
Ito-Yokado	6070	6030	6040	6030
JAL	863	839	840	863
Jusco	3420	3390	3400	3400
Kajima	1030	1010	1020	1020
Kansai Elec	2420	2400	2420	2400
Kao	1370	1350	1360	1380
Kawa Steel	372	365	365	373
KDD	12200	11700	11700	11900
Kinki Nipp Ry	770	766	768	770
Kirin Brewery	1230	1210	1220	1240
Kobe Steel	295	291	293	290
Komatsu	953	926	931	952
Kubota	684	670	682	671
Kyocera	7520	7410	7480	7400
Kyushu Elec	2370	2360	2360	2370
LTCB	755	751	754	754
Marubeni	562	551	558	562
Marui	2220	2200	2210	2210
Matsu Elec Ind	1870	1840	1860	1850
Matsu Elec Wk	1110	1090	1090	1100
Mitsubishi	1340	1310	1330	1340
Mitsubishi Ch	494	483	488	493
Mitsubishi El	698	690	695	701
Mitsubishi Est	1390	1370	1380	1390
Mitsubishi Hvy	898	886	894	898
Mitsubishi Mat	913	910	910	911
Mitsubishi Tr	1700	1670	1670	1690
Mitsui	958	945	946	962
Mitsui Fudosn	1410	1380	1390	1400
Mitsui Trust	1110	1090	1090	1100
Murata Mfg	3930	3900	3930	3950
NEC	1150	1130	1140	1140
New Oji Paper	908	902	905	909
Nikko Sec	1120	1100	1110	1120
Nintendo	7400	7300	7400	7380
Nipp Credit Bk	365	360	361	365
Nipp Express	991	984	986	994
Nippon Oil	687	675	678	688
Nippon Paper	683	676	678	680
Nippon Steel	353	348	348	350
Nippon Yusen	592	586	588	589
Nippondenso	2230	2190	2210	2220
Nissan Motor	843	835	839	835
NKK	295	289	291	295
Nomura Sec	1930	1910	1910	1910
NTT	7640a	7550a	7600a	7660a
Obayashi	915	900	910	916
Odakyu El Ry	719	706	712	706
Ono Pharm	3690	3600	3630	3660
Osaka Gas	395	388	394	398
Ricoh	1108	1080	1100	1090
Sakura Bk	1040	1030	1040	1040
Sankyo	2690	2670	2680	2670
Sanwa Bank	1870	1850	1860	1840
Sanyo Elec	590	584	585	590
Secom	7000	6980	7000	6970
Seibu Rwy	5940	5880	5940	5940
Sekisui House	1170	1160	1160	1170
Seven-Eleven	6800	6760	6800	6800
Sharp	1750	1730	1740	1750
Shimizu	1090	1080	1090	1090
Shin-etsu Ch	1900	1880	1890	1900
Shizuoka Bk	1270	1250	1250	1280
Sony	6850	6800	6820	6850
Sumitomo	960	946	952	956
Sumitomo Bk	1970	1950	1970	1980
Sumit Chem	508	500	503	509
Sumitomo Elec	1480	1460	1470	1480
Sumit Metal	310	307	307	307
Sumit Trust	1330	1310	1330	1320
Taisei	718	712	716	722
Taisho Pharm	2260	2240	2250	2290
Takeda Chem	1780	1740	1750	1720
TDK	6180	6100	6150	6150
Tohoku El Pwr	2360	2350	2350	2350
Tokai Bank	1330	1310	1310	1320
Tokio Marine	1260	1240	1250	1260
Tokyo El Pwr	2710	2690	2700	2700
Tokyo Gas	383	376	382	383
Tokyu	723	715	719	719
Tonen	1520	1470	1480	1510
Toppan Print	1480	1460	1480	1480
Toray Ind	700	692	700	700
Toshiba	716	710	715	716
Toyo Seikan	3650	3520	3590	3640
Toyo Trust	1020	1010	1010	1030
Toyota Motor	2660	2610	2620	2640
Yamaichi Sec	676	671	671	678
Yamanouchi	2260	2240	2250	2270
Yasuda Fire	738	729	730	735
Yasuda Trust	600	596	598	600

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Toronto — TSE Industrials: 5046.27, Previous: 5041.71

Stock	High	Low	Close	Prev.
Abitibi Price	18.10	17½	17.70	17.90
Air Canada	4.28	4¼	4.26	4¼
Alberta Energy	25½	25.10	25.30	25
Alcan Alum	42.05	41.40	41⅛	41.80
Avenor A	22	21.90	21.90	21.90
Bk Nova Scotia	34.10	33.90	33.95	33.90
Barrick Gold	39.80	39.10	39.15	39¾
BCE	55.65	55.10	55.40	55
BC Telecomm	27.80	27½	27.70	27.40
Bombardier B	17¾	17.55	17.65	17.70
Brascan A	26¼	26.05	26.15	26
Cameco	65	64.90	65	65
CIBC	46.15	45.90	45.90	46
Cdn Airlines	2	1.85	1.90	1⅞
Cdn Nat Res	26.40	26.15	26.40	26.15
Cdn Occid Pet	22	21.45	21.85	21.35
Cdn Pacific	30.10	29.65	29.80	29¾
Cominco	28.80	28.40	28.80	28½
Consumers Gas	21¾	21.40	21.40	21¾
Dofasco	21.35	21.15	21.20	21.35
Domtar Ind B	8¾	8½	8¾	8.60
Du Pont Cda A	28.10	27¾	28	28.10
Echo Bay Min	14⅛	14.05	14.05	14.40
Empire Co. A	13.20	13	13	13.20
Falconbridge	28.85	28.80	28.80	28.85
Fletcher Chall A	19	18.90	18.95	18.90
Franco Nevada	43.10	42.55	42.80	42.95
Guardian Cap A	N.T.	N.T.	N.T.	9.10
Horsham	17.90	17¾	17¾	17.85
Imperial Oil	57.55	56.95	57½	56.95
Inco	42.55	42.15	42¼	42½
IPL Energy	36½	36.15	36½	36.10
Laidlaw A	12.40	12.40	12.40	12.60
Laidlaw B	12.60	12.30	12.45	12.70
Loewen Group	40.60	40.05	40.45	40.20
Ldn Insur Gp	30.10	29½	30.10	29½
Macmill Bldl	19.30	19.10	19.20	19.05
Magna Intl A	63.95	63	63.65	63.30
Maple Leaf Fds	7.15	7	7.10	7
Moore	25.15	24½	24.55	24¾
Newbridge Net	64½	63	63¾	64.05
Noranda Inc	28.10	27.85	27.90	28.10
Noranda Forest	9	8.90	8.95	8.90
Norcen Energy	24.60	24½	24.60	24½
Nthern Telecom	69.35	67.70	69.30	67¾
Nova	12	11.85	11.95	11.95
Onex	14¼	14.10	14¼	14.20
Placer Dome	34.30	33.65	33.70	34.15
Potash Sask	93.20	92.10	92.30	93.90
Provigo	7.35	7¼	7.35	7¼
Quebecor Print	23.10	22.95	23.10	22.95
Renaissance	37½	36	37.35	35.80
Rio Algom	27.10	26.60	27.10	26.95
Seagram Co	47.35	46.60	46.70	47.10
Stone Consold	15.70	15½	15.65	15.70
Talisman Eny	33.90	33.15	33¾	33¾
Teleglobe	25¾	24¾	24¾	25.20
Telus	19.45	19.20	19.45	19.20
Thomson	23.55	23.30	23.35	23½
TorDom Bank	26.90	26.55	26.60	26.70
Transalta	15.35	15.20	15¼	15.20
TransCda Pipe	21.55	21.40	21.45	21.45
Utd Dominion	29	28.85	29	28.90
Westburn	9.90	9.80	9.80	9.80
Westcoast Eny	21.45	21.20	21.20	21¼
Weston	49	48¾	49	49

Vienna — ATX Index: 1040.14, Previous: 1035.11

Stock	High	Low	Close	Prev.
Aust Airlines	1421	1421	1421	1430
Brau-Un Goess	648	635	641	650
Bund Vers Pfd	421	421	490	490
Creditanst Pfd	496	491.50	493.50	496
EA-Generali	3040	3001	3040	3020
EVN	1479	1450	1479	1450
Interunfall	1517	1517	1518	N.T.
Lenzing	670	665	665	665
Leykam	295	288	288	290
Mayr-Melnhof	462	450	450	460
OMV	1006	988.50	1004.90	985
Oest Brau	646	639	639	650
Oest Elektriz	775	772	772.50	773
VA Tech	1349	1332	1341	1332
Wienerberger	1960	1910	1955	1910

Wellington — NZSE-40 Index: 2149.26, Previous: 2160.47

Stock	High	Low	Close	Prev.
Air N Zeald B	3.12	3.10	3.10	3.12
Brierly Invt	1.43	1.42	1.42	1.42
Carter Holt ord	3.29	3.22	3.28	3.23
Fernz	4.46	4.40	4.40	4.50
Fisher Paykel	4.72	4.70	4.72	4.70
FC Forest	1.81	1.78	1.78	1.82
Goodman Fder	1.45	1.45	1.45	1.46
Indep News	5.25	5.20	5.25	5.20
Lion Nathan	3.88	3.87	3.87	3.87
Nat Gas note	2.18	2.16	2.16	2.16
NZ Refining	26.50	26.50	26.50	26.50
Telecom NZ	6.62	6.50	6.50	6.62
Wilson Horton	9.50	9.45	9.45	9.50

Zurich — SPI Index: 2339.85, Previous: 2345.93

Stock	High	Low	Close	Prev.
Adia B	325	315	320	325
Alusuisse R	977	966	971	978
Ares-Serono B	1050	1042	1049	1049
Baloise Hdg R	2465	2430	2430	2445
ABB B	1484	1473	1473	1492
BK Vision	1445	1430	1440	1445
Bobst B	1695	1685	1695	1690
Ciba Geigy R	1493	1483	1491	1497
CS Holdings R	130.50	129.25	130.50	130.75
Elektrowatt B	446	443	443	449
Fischer B	1260	1240	1245	1260
Hilti PC	890	875	875	890
Holderbank B	923	906	914	919
Jul. Baer Hdg B	1355	1348	1352	1359
Merkur Hdg R	222	217	217	219
Nestlé R	1412	1405	1412	1415
Oerlikon R	115	114	114.75	115
Pargesa Hld B	1370	1370	1370	1375
PharmVisn B	5700	5600	5680	5730
Pirelli B	154	154	154	154
Roche Hdg PC	9220	9135	9200	9230
Sandoz R	1401	1390	1399	1404
SBC R	239.25	237	239	238.75
Schindler B	1205	1190	1200	1210
SGS B	2760	2715	2735	2740
SMH B	811	801	807	814
Sulzer R	754	748	753	753
Swiss Reins R	1242	1228	1242	1240
Swissair R	1121	1109	1110	1130
UBS B	1197	1180	1193	1191
Winterthur R	741	732	739	738
Zurich Assur R	327	323	326	327

NASDAQ

Friday's 4 p.m.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.

The Associated Press.

NYSE

Friday's 4 p.m. Close

(Continued)

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Australia Appoints Task Force to Study U.S. Market Access

Reuters

SYDNEY — Australia on Friday said American trade subsidies were "insidious" and announced a stepped-up campaign, backed by a new trade task force, to open access to U.S. markets, where it faces a 12 billion Australian dollar ($9.34 billion) trade deficit.

Trade Minister Tim Fischer said the U.S. market would be one of the first markets the task force considered.

"The new Market Development Task Force will enable us to coordinate and pursue priority objectives for the vital U.S. market in a targeted way," Mr. Fischer said in a speech to the American Chamber of Commerce in Sydney.

The United States is Australia's second-largest trading partner after Japan. Two-way trade exceeded 21 billion Australian dollars in 1994-95, but the U.S. trade deficit is Australia's worse trade imbalance.

Mr. Fischer also said Australia's five-month-old conservative government would intensify its efforts to gain greater access for commodity exports to the United States — a traditional area of friction.

Releasing a review of Australia-U.S. trade, Mr. Fischer said the U.S. Export Enhancement Program and the Dairy Export Incentive Program were "insidious programs."

"Recent statements from the U.S. administration give us some cause for optimism that, as part of a future multilateral trade negotiating round, it is prepared to dismantle these insidious programs," Mr. Fischer said.

The major contributor to the trade deficit was a decline in exports of primary products such as beef, crude oil and alumina, he said, blaming U.S. market restrictions and Australian exporters switching to Asia.

Current estimates suggested that barriers to Australian merchandise trade may add more than 1.0 billion Australian dollars to its U.S. trade deficit, Mr. Fischer said.

He said Australian steel producers were losing around 125 million dollars a year because of U.S. barriers, while Australia's boat builders forfeited 30 million dollars a year because of a ban on foreign-built ships being sold in the United States.

But he also said that the trade deficit was underpinned by changes occurring in the Australian economy. On the other side of the ledger, 80 percent of imports from the United States are capital or intermediate goods such as aircraft, computer parts and telecommunications equipment.

"These goods are instrumental to restructuring Australian industry," Mr. Fischer said.

■ Japan Appeals Trade Ruling

Japan, determined to protect domestic producers, has appealed to the World Trade Organization to reconsider its finding that Tokyo discriminates against imported spirits in its liquor taxes, Reuters reported from Tokyo.

Last month a WTO panel in Geneva found that the Japanese system of liquor taxes treated imported spirits such as whiskey and brandy unfairly, to the advantage of domestic products. A complaint on Japanese liquor taxes had been filed with the trade organization by the European Union and supported by Canada and the United States.

Thais Study Tax Moves to Spur Growth

Compiled by Our Staff From Dispatches

BANGKOK — Finance Minister Bodi Chunnanon said Friday that the government would consider tax changes to promote stable economic growth and help narrow the current account deficit.

Mr. Bodi said import duties on some luxury goods would be raised and those on some raw materials lowered.

Mr. Bodi also said the government was studying a reduction of corporate income taxes from the present 30 percent.

Speaking at a seminar aimed at boosting foreign investor confidence, Mr. Bodi said the government would maintain fiscal discipline by not investing in anything unnecessary. He also said the government would have a budget surplus for the ninth straight year.

A military satellite system was rejected earlier this month.

Deputy Prime Minister Amnuay Virawan, also trying to reassure investors, said Thailand's slowing growth and exports were caused by the economy's transition from a labor-intensive one to a medium-tech and service-oriented one.

The problems "are not the result of mismanagement but the consequence of an economy undergoing a transformation" similar to those of South Korea, Singapore and Taiwan, he said.

"The Thai economy has slowed down, but that does not mean that the Thai economy has declined to a critical condition," Mr. Bodi said.

(Bloomberg, Reuters)

A Malaysian Firm Enters Big Leagues

Stake in Brierley Lifts Malex's Profile

Compiled by Our Staff From Dispatches

KUALA LUMPUR — Malex Industries Bhd., until now an obscure cement-products manufacturer, is getting a raft of high-profile shareholders as it evolves into a major player in Southeast Asia after a complex series of transactions this week, analysts said on Friday.

The series of deals will give the Malaysian company a 20 percent stake in the big New Zealand industrial holding company Brierley Investments Ltd.

Malex will be taken over by a group of regional shareholders led by the Malaysian entrepreneur Quek Leng Chan, who controls the financial-services and industrial company Hong Leong Industries Bhd.

Edward Ong, an analyst at Schroder Research said, "From here, it depends on what Brierley will do, as 75 percent of Malex's earnings will come from Brierley."

There has been talk in the market that Mr. Quek's ultimate goal is to take over Brierley and Malex's listing in Kuala Lumpur would help raise cash for such a purchase.

Brierley's multinational businesses include aviation, food, retailing, construction-materials and hotels. Malex announced Wednesday that it would buy its 20 percent stake in Brierley from Delham Investments Pte., a member of the Camerlin Pte. group of companies, for 1.42 billion ringgit ($570.1 million).

Delham will be issued new Malex shares representing about a 36 percent stake in the company.

Delham is 60-percent owned by Camerlin, which is headed by Mr. Quek, who holds a 40 percent stake in Camerlin through his Singapore-based company First Capital Corp. The other partners in Camerlin are Sembawang Corp., Haw Par Brothers International Ltd., both of Singapore, and the closely held Salim group of Indonesia. They each own a 20 percent stake in Camerlin.

"The partners are obviously contemplating starting up a new, major investment vehicle able to operate in Australasia," Rob Bode, an analyst at the New Zealand brokerage Hendry Hay McIntosh, said.

They also made a tidy profit out of the transaction. Delham became Brierley's largest shareholder in March, paying 680 million New Zealand dollars ($466.8 million) for the 20 percent stake.

Blair Tallot, an analyst for Ord Minnett Securities, said investors in Delham "effectively get half their cash back. You would have to assume Delham is going to make a play for something Brierley has an interest in."

Renong Bhd. said Wednesday it would swap its stake in Southern Steel Bhd. for shares in Malex.

Paul Collins, Brierley's chief executive, said on Thursday that he was very relaxed about the entry of the new Asian investors into his company's group of shareholders. "When you see finally who the directors of" Malex are going to be and who the shareholder are, "then I think it will be much easier for people to understand." *(Bloomberg, Reuters)*

Coca-Cola Amatil Stock Hits Record After Kerry Deal

Knight-Ridder

MELBOURNE — Shares in Coca-Cola Amatil Ltd. hit their all-time closing high on Friday, a day after the Malaysian investor Robert Kuok bought an 8.5 percent stake in the company through his Kerry Group.

After rising nearly 3 percent after the deal was announced Thursday, the stock rose an additional 65 cents, or 4 percent, to 16.20 Australian dollars ($12.60).

Kerry, which is privately owned, will buy 46 million new shares in Coca-Cola Amatil for 14.51 dollars each, or a total of 667 million dollars. Mr. Kuok is expected to help the company expand in Southeast Asia from its Indonesian base. Coca-Cola Amatil also has significant bottling operations in Eastern Europe.

Kerry's beverage division currently has 10 joint-venture companies in China.

Coca-Cola Amatil is 39.5 percent owned by the Atlanta-based soft drink company Coca-Cola Co. That stake will be diluted to 36.1 percent after the transaction with Kerry.

"The market is only guessing as to what kind of profit potential the company has," one Melbourne-based analyst said. "I think the market got a little overly excited about this deal."

The stock now has a price-to-earnings ratio of more than 50.

Daewoo Net Rises 38.4% In First Half

Compiled by Our Staff From Dispatches

SEOUL — Daewoo Corp., a major South Korean construction and trading company, reported Friday that net profit for the first half had risen 38.4 percent from a year earlier to 45.8 billion won ($56 million).

Moon Ki Hwan, a Daewoo spokesman, said sales were up 39.2 percent, at 9.1 trillion won.

Mr. Moon said strong exports of autos, machinery and electronics were mainly responsible for the earnings surge. He also attributed the profit growth to brisk domestic civil construction work.

Daewoo Corp. is the trading and construction arm of Daewoo Business Group, South Korea's fourth-largest business group, which has interests in autos, machinery, shipbuilding, electronics, finance and construction.

Separately, the Ministry of Finance and Economy said Friday that steep domestic labor costs and land prices had sent South Korea's foreign direct investment soaring 51 percent in the first half, to $2.86 billion.

The ministry said it had approved a total of 825 overseas projects from January to June.

Asian countries were the most favored by South Korean investors, with investment rising 59.1 percent, to $1.69 billion, for 622 projects, topped by Hyundai Motor Corp.'s Indonesian car assembly line.

Investment in North America, centered on electronics and microchip plants, totaled $644 million for 96 approved projects in the period, up 122.9 percent from a year earlier.

Investment in Europe declined 44.6 percent, to $238 million, while South America drew $230 million for 29 projects, up 149 percent.

Since 1968, when the first overseas investment project was launched in Indonesia, cumulative overseas investment by South Korean companies at the end of June totaled $20.6 billion, the ministry said.

Last year South Korea approved investments that totaled $4.91 billion in 1,560 overseas projects, up 36.8 percent in value. *(Bloomberg, AFP)*

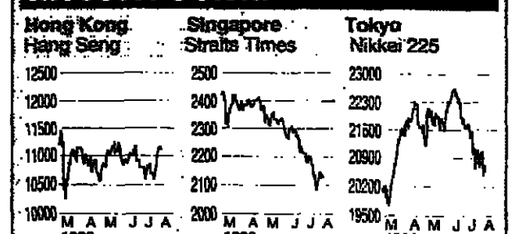
■ A Call for Deregulation

Han Seung Soo, the South Korean finance and economy minister, called Friday for sweeping deregulation and higher productivity, one day after taking up his post in a cabinet reshuffle, Agence France-Presse reported from Seoul.

The South Korean government has made it known that it would like to join the 28-member Paris-based Organization for Economic Cooperation and Development by the end of this year.

But the OECD has called on Seoul to open up its protected financial markets and to make improvements in its labor sector to gain membership.

Investor's Asia



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	11,104.00	11,164.40	-0.54
Singapore	Straits Times	Closed	2,129.04	-
Sydney	All Ordinaries	2,221.70	2,226.60	-0.22
Tokyo	Nikkei 225	20,551.05	20,731.31	-0.87
Kuala Lumpur	Composite	1,105.20	1,100.72	+0.41
Bangkok	SET	1,119.33	1,130.42	-0.98
Seoul	Composite Index	832.61	837.20	-0.55
Taipei	Stock Market Index	6,315.66	6,341.93	-0.41
Manila	PSE	3,088.19	3,112.79	-0.79
Jakarta	Composite Index	547.71	548.18	-0.09
Wellington	NZSE-40	2,149.26	2,160.47	-0.52
Bombay	Sensitive Index	3,497.73	3,509.18	-0.33

Source: Telekurs International Herald Tribune

Very briefly:

- **Perusahaan Listrik Negara** of Indonesia said organized crime steals electricity worth as much as $50 million a year from the state-owned utility.
- **India's** production of personal computers will grow to 3 million units in the next five years, the Manufacturers' Association of Information Technology has forecast. Only 350,000 PCs a year are being produced in India now.
- **Industrial & Commercial Bank of China**, China's largest commercial bank, will lend 1.07 billion yuan ($129 million) to 16 Shanghai companies to help make the stock market more "vibrant."
- **Sing Tao Holdings Ltd.**, the Hong Kong publisher, reported a net loss of 146 million Hong Kong dollars ($18.9 million) for the year ended March 31, compared with a profit of 286 million dollars the previous year.
- **PT Krakatau Steel**, Indonesia's state-run steel company, said that plans for a public flotation were on course and that it would appoint a financial adviser for flotation in the near future.
- **Eastern Communications Co.**, China's biggest maker of mobile phones, made a disappointing debut on Shanghai's B share market, closing at the day's low of 80 cents after opening at 82 cents.
- **Japan's Ministry of International Trade and Industry** will investigate cotton fabric imports from China, a process that can lead to import restrictions.
- **Netscape Communications Corp.**, a leading developer of Internet products, announced that it will locate its Asia-Pacific head office in Melbourne.
- **Sony Corp.** will raise output of optical pick-ups for minidisk players to 4 million units from current 1 million units by the end of March 1998.
- **Bank lending in Japan** was up 1.0 percent in July from a year earlier, after having risen 1.4 percent in June.
- **Societe Generale** of France and **Crosby Financial Holdings** of Hong Kong are to jointly set up a new investment bank.

Bloomberg, Reuters, AFP, Knight-Ridder, AFX

TOYOTA: *Automaker's President Strives for Diversification and Further Cost Cuts*

Continued from Page 9

the company had become "too comfortable," he said.

He said the reason for diversification is simple: "Automobile profits are not perpetual."

The company's recent passivity was not obvious in the United States, he said, where Toyota's sales remained strong in good and bad economic cycles. But Toyota's problems showed up in Japan when that country's economy spun into recession after its growth rate stagnated earlier this decade.

The strong yen flattened Toyota's profits from 1993 through 1995. Consumer rebellion against rising prices in that country tripped up Toyota on several product introductions.

In 1992, for example, Toyota introduced a more luxurious Corolla, "which many people found too expensive," Mr. Okuda acknowledged. "So we decided to take many things out of the car. But many people said that one was too cheap. So we had to change it again."

But the Corolla was not all that Toyota changed. For the past two decades, the company's production system had been the envy of the world's automakers as a nearly ideal way to cut waste and improve quality on the factory floor. Companies such as General Motors Corp., Ford Motor Co., Chrysler Corp. and Mercedes-Benz AG used the Toyota system to monitor production efficiency and product quality.

But during the boom economy of the 1980s, Toyota grew lazy. "Our cost structure swelled during the years of Japan's bubble economy, and that left us with an unacceptably high figure for cost of sales when the bubble burst," Mr. Okuda said. Ms. Keller said Toyota had since reviewed all its operations, "examining how it produces, sources and uses every single component that goes into its vehicles."

Some analysts said that approach had helped Toyota strip $1,500 from the cost of producing its popular Camry family sedan, which has been remodeled for 1997.

Mr. Okuda and Toshiaki Taguchi, a Toyota director, would not verify that cost-cutting estimate.

"Some people say we've reduced the cost by $3,000," Mr. Taguchi said. But both Toyota officials said the lower cost did not mean Toyota would cut prices on the Camry or other models.

"It helps profitability," Mr. Okuda said of the cost-cutting. He added that increased profitability, enhanced by a stabilizing yen, would help Toyota improve its vehicle-development programs.

■ Tokyo Stocks Weaken

Tokyo stocks fell Friday on concern that Japan's economic recovery may be slowing, Bloomberg Business News reported from Tokyo.

The benchmark Nikkei stock average fell 180.26 points, to 20,551.05; it has fallen 2 percent this week.

"We are starting to see signs that the economic recovery may be souring," said Shunichi Umeda, an analyst at Tokyo Securities Research Institute. "Capital spending may be slowing down."

The Economic Planning Agency said Friday that machinery orders fell 9.6 percent in June from May. Economists had expected a decline of about 1.8 percent.

Machinery, steel, heavy industry and other shares that were expected to profit most from the economic recovery fell.

Komatsu Ltd. led the fall among machinery makers, falling 21 yen to 931 yen ($8.62).

Among steel stocks, NKK Corp. fell 4 yen to 291 yen, Nippon Steel Co. fell 2 yen to 348 and Kawasaki Steel Co. fell 8 yen to 365.

Banking shares fell amid concern about new shares that banks plan to sell to help raise money to offset their bad loans, traders said.

"The rush of new shares means that bank stocks are worth less now," said Sadao Sudo, a stock analyst at Nomura Securities in Osaka.

The Bank of Tokyo-Mitsubishi fell 20 yen to 2,240 yen. Sumitomo Bank fell 10 yen to 1,970 yen, and Dai-Ichi Kangyo Bank fell 20 yen to 1,810 yen.

Traders said foreign investors continued to sell more than they bought, while domestic investors are waiting for lower prices and positive earnings news.

"Domestic investors are scooping up some of the leading electronics shares when they fall," said Masao Ariga, general manager of the equity investment department at Daiwa Securities.

Fujikura Rubber stock rose 12 yen to 557. The industrial rubber maker raised its current, or pretax, profit forecast by 76.5 percent to 600 million yen for the six months ending Sept. 30.

Kinki Coca-Cola Bottling stock rose 30 yen to 1,510 after the soft drink bottler reported a rise of 88.5 percent in current profit to 3.55 billion yen for the six months ended June 30.

Hongkong Land In Market Again

Reuters

HONG KONG — Hongkong Land Holdings Ltd.'s first significant commercial property acquisition in the British colony for more than a decade suggests that the company is on the prowl again in Hong Kong, analysts said.

The company, which is controlled by Jardine Matheson Holdings Ltd., announced Friday that it had paid 810 million Hong Kong dollars ($104.7 million) for the Crown Motor Building in Quarry Bay, at the eastern end of Hong Kong island.

"This is not a very profitable deal, but the company has so much cash on hand and is eager to snap up property in Hong Kong," an analyst at a European house said.

The company plans to redevelop the building into an office tower.

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THE MONEY REPORT

MONDAY: SPORTS

Riding the High-Tech Roller Coaster — Without Losing Your Balance

In Today's Multimedia Game, Spotlight Is on Management

By Digby Larner

IT HAS ALL THE RIGHT ingredients for a ripping television drama: huge conglomerates battling for control of a vast industry, charismatic personalities vying for attention, plenty of scene stealing — and, of course, lots of money.

But unless you have access to a business wire service, you cannot follow it on screen. This story is about the real-life cut and thrust of the U.S. television industry coming to terms with deregulation, a drama investors hope will run and run.

The round of mergers and acquisitions that started last summer with Walt Disney Co.'s $19 billion takeover of Capital Cities/ABC Inc. and Westinghouse Electric Corp.'s $5.4 billion buyout of CBS Inc. was prompted by the U.S. Telecommunications Act 1996, which relaxed ownership rules for broadcasters. Instead of being limited to 12 stations covering a maximum 25 percent of the United States, they can now own as many as they want provided they cover less than 35 percent of the country. In short, they are swallowing each other up simply because they can.

The reason stations are eager to exploit the new rules, says Tim Wallace, an analyst at Lehman Brothers, is that becoming bigger makes stations more profitable and more secure.

"When a 900-pound gorilla comes to town, it makes sense to team up with someone else," he said. "For TV companies, consolidation means you buy programs at better rates and you don't greatly multiply running costs. You can operate a pretty big company with a good, small management team."

All this is good news for investors. Since early 1995 television stocks have performed better than the stock market average. The Salomon Brothers media stock index gained nearly 50 percent in 1995, compared with 34 percent for the Standard & Poor's 500 index.

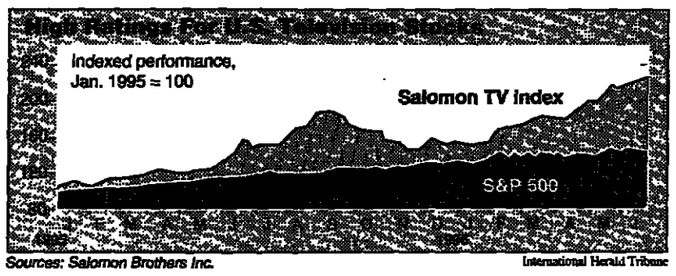
What sets broadcasting mergers apart from others, say analysts, is that it hardly matters if the stock you own belongs to the predator or the prey. In most industries the share price of the target company will grow during a merger, whereas the predator's shares sometimes fall back, especially if the takeover is considered expensive. In media, however, investors have gained on both sides of the fence.

Analysts are mainly agreed that the consolidation process will continue for at least the next two years, giving investors plenty of opportunities. But although the whole sector is performing well, investors need still to chose wisely.

"You have to look carefully at the management," Mr. Wallace said. "Broadcasting is a very management intensive business. It's not like a factory where they produce widgets. There's nothing tangible. If you look at the stations that have really made it, they all have smart managers."

Mr. Wallace's stock recommendations, however, are for radio stations rather than television companies: "There are around 11,000 of them in the United States and hardly anyone owns more than a hundred of them." Picking the right radio stock from such a broad field is a gamble, he says, but it can be very rewarding if you get it right. Top of his buy list are SFX Broadcasting, with 67 radio stations, and Clear Channel Communications with 100 radio stations and 17 television stations.

Paul Sweeney, an analyst with Salomon Brothers, recommends the Sinclair Broadcast Group and includes the Granite Broadcasting Corp. on his buy list. Sinclair leapt into the media big league after buying privately owned River City Broadcasting for $1.2 billion. The company now runs 28 television stations and 34 radio stations in 27 markets covering 14 percent of the United States, making it the countries seventh-largest television business.



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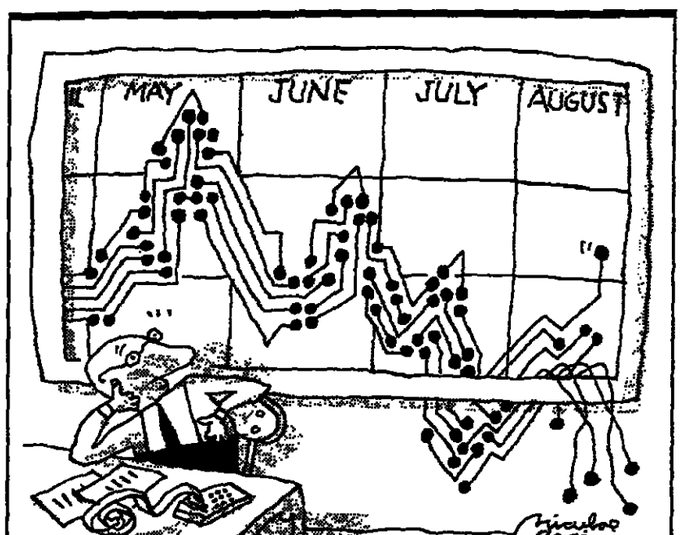

Why the 'Tech Effect'?

By Judith Rehak

NO REVIEW of the American stock market's performance in recent weeks would be complete without a look at the role of high technology stocks in its heart-stopping leaps and plunges. For example, when Microsoft Corp.'s 52 percent increase in profits for its fourth quarter failed to soothe jittery investors, they bailed out in droves, contributing to a fall of 32 points, or almost 3 percent, in the Nasdaq composite index on July 23.

On the other hand, when the Dow-Jones industrial average leaped 67 points on July 25, roughly half that advance was driven by hectic buying of IBM Corp., as investors rushed into a perceived buying opportunity.

How is it that high-tech companies have come to wield such a disproportionate effect on the overall performance of the U.S. stock market?

The answers are both substantive and psychological, say market observers. One reason that high tech carries so much clout, according to David Bostian, chief economist for Herzog, Heine, Geduld, a New York brokerage, is that it has become a driving force in the U.S. economy. "Investors realize that it creates job growth, and growth in the gross domestic product, both in the U.S. and internationally, so they monitor high-tech companies very closely," he said. "When they do well, it makes them feel that everything is OK, but if they come down, that implies a downturn for the overall economy. So when tech stocks got hit in July, that cast a pall over the entire market."

Fred Hickey, editor of the High Tech Strategist, a New Hampshire-based newsletter, notes that both neophyte investors seeking fast profits in Internet stocks and professional money managers under pressure to produce high returns have made several high-tech names into market leaders. Companies like Microsoft and Intel Corp. "absolutely dominate the trading volume now on Nasdaq," said Mr. Hickey. He added that Micron Technology Inc., a chip maker, often leads IBM on the New York Stock Exchange.

But both these analysts see trouble ahead. Mr. Bostian noted that prices of Hewlett-Packard Co., the computer maker, and Motorola Inc., the electronics company, fell sharply after recent earnings disappointments reflected slower global demand.

Mr. Hickey said that growth in personal computer sales in the U.S. has slowed markedly, to 12 percent in the second quarter from 25 percent previously. Though investors are still buying high-tech stocks on each downturn, he said, "each time the decline is deeper and the bullish consensus gets hit a bit harder."

Good Funds Come in All Kinds, So Choice Hinges on Philosophy

By Aline Sullivan

TECHNOLOGY FUNDS are the single must-have item in many investors' portfolios, but they can be the single most difficult to select. The sector's range and volatility are a challenge to fund managers, and a wide disparity in investment philosophy among the funds makes picking the right one vital — no easy task as their ranks continue to swell.

The top fund managers, however, have one thing in common: They are now plowing their cash reserves back into the market after a hiatus of several months, signaling that the sector's "crisis of confidence," as one manager puts it, may be over and that now may be a good time to invest.

Unlike many sectors, which give investors a broad global exposure, technology funds are overwhelmingly American. Lipper Analytical Services Inc. in New York tracks 44 U.S.-domiciled science and technology funds with total assets of $16 billion and 41 offshore funds with another $1 billion in assets.

Even the funds domiciled outside the United States are heavily weighted toward U.S. companies: "About 65 percent of our funds are invested in the U.S. because that is where the companies we want to invest are," said John Ions, sales manager of the Technology Unit Trust, based in London, and the Dublin-based Prolific Technology Fund.

The concentration on one region can leave investors especially vulnerable to market volatility. Fund performance so far this year has been lackluster, as spring gains in the spring rapidly turned into summer losses from which some funds have just started to recover.

"One of the hardest things about the technology market is predicting the short-term swings," says Kevin Landis, co-manager of the Interactive Investments' Technical Value fund, the No. 1 fund on Lipper's performance chart.

The fund, managed by Mr. Landis and Ken Kam in Milpitas, California, near Silicon Valley, has only $12 million under management and has gained 33 percent since January — a performance the managers attribute to the fund's small size and their maverick approach.

Mr. Landis lists the fund's trend-busting criteria: "We don't invest in more than 30 companies at a time, we keep our holdings for two or three years, and we don't focus on small-cap stocks." The fund currently invests in 28 companies, heavily weighted toward semiconductor stocks and medical technology, but it has no Internet holdings — another approach that puts the fund at odds with many other top-performing technology funds.

The No. 2 Lipper fund, the $200 million PBHG Technology and Communications Fund, has a turnover rate of 126 percent — that is, it changes its holdings completely in less than a year — compared with an industry average of about 95 percent. The fund, which is managed by John Force at Pilgrim Baxter & Associates in Wayne, Pennsylvania, is up 22 percent so far this year.

Mr. Force's investment criteria are traditional: "We focus on the fast-growing companies with revenues and earnings growth that are exceeding industry expectations," he said. "And we have a small-cap bias: Half of our portfolio is made up of companies capitalized at under $500 million." The fund also is broadly diversified, with 75 stocks, none of which accounts for more than 2 percent of the portfolio.

Mr. Force copes with the market's volatility by taking the long view: "People forget that it is fairly normal for technology stocks to decline 20 percent at a time and that corrections mostly take place in June and July," he said. "Shares always go up by September when people come back to work." And, indeed, the Soundview Financial Group Index of technology funds has tracked an average correction of 23 percent in each of the past 10 years, with most of the drop taking place in early summer.

Ron Elijah, manager of the Information Age fund for Robertson Stephens Investment Trust in San Francisco, practices a similar approach. His fund is up almost 7 percent this year, a relatively modest gain but enough for Lipper to rank it third among technology funds. The fund invests 35 percent of its $62 million in computer software, 12 percent in data communications, 11 percent in semiconductor makers, and 9 percent each in computer hardware, health care and telecommunications.

Mr. Kam and Mr. Landis currently have about a third of their portfolio in cash, a level they say is high for the fund. But it is well down from the more than 50 percent of just eight weeks ago, and it is likely to head lower in the coming weeks, they say. Mr. Force at PBHG has cut his cash reserve to 7 percent from 30 percent just since the middle of July.

"We are ready to buy more now," Mr. Landis said. "There was a crisis of confidence in the sector, but now investors have lower expectations about earnings. This is a good time to invest."

Technology-Sector Mutual Funds

Total percent return in U.S. dollars (to Aug. 1, 1996)

	Year to date	Over one year
Internet Inv Tech Val	30.03	31.57
PBHG Tech & Com PBHG	21.32	NA
Robert Stephens Info Age	6.68	NA
INVESCO Strat Tech	6.24	17.72
Fidelity Sel Electronic	5.36	1.14
Franklin Gold Dynatech	5.10	2.84
PIMCO Adv Innovation A	4.36	10.61
PIMCO Adv Innovation B	3.84	9.79
PIMCO Adv Innovation C	3.84	9.65
Fidelity Sel Defn Comm	3.45	7.14
T Rowe Price Sci & Tech	3.28	15.64
First Amer Tech D	3.02	9.69
First Amer Tech A	2.97	9.68
First Amer Tech B	2.93	9.06
Gabel Science & Tech A	2.49	15.50
Fidelity Sel Software	2.09	18.57
Sit Financial Telecom A	0.55	4.50
Fidelity Sel Electronic	0.44	6.20
Gabel Tech Inc Fund	0.28	NA
Sit Financial Telecom B	0.08	4.30
Sit Financial Telecom C	0.00	4.61
Alliance Technology A	-0.58	-0.74
Kemper Technology Fd 1	-0.86	4.88
Kemper Technology Fd A	-0.94	4.73
Alliance Technology C	-0.96	-1.41
Alliance Technology B	-0.98	-1.36
Kemper Technology Fd C	-1.48	3.85
Kemper Technology Fd B	-1.58	3.69
Fidelity Sel Computer	-2.80	-3.86
Montgomr Technology	-2.86	7.70
Fountain Sq Tech A	-4.81	-5.82
Fountain Sq Tech B	-5.19	-6.58
Seligman Hard Gd Tech A	-5.86	-8.67
Seligman Hard Gd Tech D	-6.29	-9.34
Fidelity Sel Technology	-6.91	-7.79
Seligman Communic A	-10.82	-18.76
Merrill Technology A	-10.96	-16.48
Merrill Technology D	-11.16	-16.76
Seligman Communic D	-11.24	-19.04
Merrill Technology B	-11.51	-17.29
Merrill Technology C	-11.55	-17.30

Source: Lipper Analytical Services

Q & A / **Conor McCarthy**

Newsletter Succeeds by Following Its Own Advice

If few financial newsletters are taken seriously by professional investors, it is because the newsletter writer's advice is often, at best, hit or miss. Techinvest, a monthly technology-stock newsletter published in Ireland, is one of the few to have won the respect of market pundits.

One reason is the success of its hypothetical investment portfolios: The first Techinvest Trader portfolio, which ran from March 1985 to March 1993, chalked up a gain of 2,214 percent, and the second, from January 1993 to April 1996, rose 453 percent. The latest portfolio has been going since April and is up 16.2 percent, well ahead of the 0.5 percent gain by the market in general over the same period.

Conor McCarthy, an engineer turned editor and stock analyst, is the moving force behind Techinvest. He talked recently with Barbara Wall of the International Herald Tribune about his investment approach and the outlook for technology stocks.

Techinvest

Conor McCarthy of Techinvest

Q. Why did you set up a newsletter focusing on technology stocks?

A. I was frustrated by the level and quality of information that was available to investors in Britain. Companies based in the United States report quarterly, whereas British companies report biannually. What makes this worse is that British company reports are often issued several months after the end of the reporting period, although the situation has improved in recent years.

On a more general level, I wanted to show private investors that it is possible to outperform the market by limiting investment to the technology sector.

Q. How do you spot an undervalued stock, and how do you value it?

A. I look for recovery situations — that is, companies that have badly disappointed investors, but which have the potential to leap back into favor again. One way to value a potential recovery situation is to divide the market capitalization by the research and development expenditure for the year. If the figure is low — that is, below 5 — then this is may be a good signal to buy.

One of my favorite recovery situations at the moment is Cray Electronics, a communications, networking and software company that is listed on the London Stock Exchange. It looks to be on the verge of recovery. The market capitalization of the company is £65 million and spending on R&D is around £17 million.

Another way to examine a stock is to look at its growth rate. A growth rate in excess of the price-earnings ratio is a clear pointer that the stock may be undervalued. Staffware, a developer of production-class workflow software, that was recently floated on Britain's Alternative Investments Market, is growing at around 50 percent per annum, it has a market share of 34 percent and the P/E is 21.

Q. What areas of technology should investors be looking at now?

A. The communications industry has good growth prospects. There is also a major equipment upgrade cycle about to hit the cable TV industry in the United States. And the Internet and Intranet [internal corporate networks] are continuing to grow at tremendous rates.

Two companies that stand to gain are Telspec and Filtronic Comtek, which are listed on the London Stock Exchange. Neither company is considered a buy yet because of disappointing results. However, looking forward several years their business prospects are excellent.

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Asian Markets Set for Turbulent Autumn, but Better Times Around the Corner

JAPANESE STOCKS are headed for turbulence this fall, although the market could gain as much as 10 percent over the course of the next year, according to an expert in Asian equities.

"There's going to be continued concerns about excess supply and not enough demand that's going to weigh down on the market in the short-term," said Kathy Matsui, chief market strategist for Goldman Sachs (Japan) Ltd. in Tokyo.

Trading volume on the Tokyo Stock Exchange has been light this week, trailing the six-month average, and Japan's benchmark Nikkei index has lost more than 5 percent in the past month — although the index of 225 stocks has risen more than 4 percent since the beginning of the year.

But Ms. Matsui thinks Japanese stocks could be poised for a rebound after an initial drop.

For one thing, she says, volume will be helped by a spate of new public offerings this autumn, including the much-anticipated debut of West Japan Railway shares in October. For another, Nippon Credit Bank Ltd. and other major banks plan to issue shares of preferred stock to help pay for bad loan write-offs.

Key to the market's health are the expected announcement of higher corporate earnings forecasts, passage of a supplemental government spending package, a dollar stronger than 105 yen and a better turnout from wary domestic investors.

"As long as we meet those four conditions, I do think that there is scope for at least 5 percent to 10 percent upside over the next 10 to 12 months," she said.

With that in mind, she favors shares of consumer electronics manufacturers and retailers likely to post strong profit growth. Among her favorites are Jusco Co., a superstore chain; Marui Co., a department store operator; Sony Corp. and Matsushita Electric Industrial Co.

Should Japanese interest rates rise later this year, as some analysts expect, Ms. Matsui cautions that shares of food and drug companies may be among the hardest hit, along with real estate issues.

Some cyclical companies — those that tend to track the broader performance of the economy — may stand to gain despite plodding economic growth, she said. Higashi Nihon House Co., a home builder, will probably prove to be one of the winners.

A rebound will undoubtedly be good for foreign investors, who bought $60 billion more in Japanese stocks and bonds than they sold in the first half of the year, according to Finance Ministry figures released this week.

The ministry said combined net purchases of Japanese stocks and bonds by foreign investors in the six months to June totaled a record 6.44 trillion yen. Of that, 4.61 trillion yen went into equities, up from 899.9 billion yen in net purchases during the like period a year earlier. Foreigners' net purchases of Japanese bonds totaled 1.83 trillion yen, compared with net sales of 1.18 billion yen a year earlier.

"Foreign investors were more bullish on the prospect of the Japanese economy than Japanese," said Kiyoshi Yoshimoto, a senior economist at the Sakura Research Institute.

A ministry official said foreign investors appeared to have been encouraged by the continued weakness of the yen, which was seen as favorable to Japanese corporate earnings.

The official said bond buying appeared to have been linked with comments by Japanese financial authorities that the easy monetary policy would be maintained, dispelling earlier fears of an imminent rise in interest rates.

The Finance Ministry also reported a return by Japanese investors to overseas markets during the first half, with net purchases of bonds and equities totaling 2.76 trillion yen.

Offshore stock purchases by Japanese investors were 481.1 billion yen, compared with net sales of 228.4 billion yen in the like period last year.

Bond purchases were a net 2.28 trillion yen during the first half, down from net purchases of 4.22 trillion yen a year earlier. Analysts attributed the drop to nervousness about a possible rise in U.S. interest rates. *(Bloomberg, AFP)*

■ Bottom-Fishing in Thailand

With Thailand's SET stock index showing signs of recovery but still hovering around its lowest level for the past year, there is no better time than now to invest in Thai stocks, a U.S. money manager said this week.

"Although the SET's down, Thailand's economic fundamentals are sound," Ismail Dalla, president of Washington Asset Management Inc., which specializes in Asian stocks and bonds, told Bloomberg Business News.

The index, which reached a low of 1,064.04 on July 31, closed Friday at 1,119.33.

Thailand's gross domestic product is growing at a rate of between 7.5 percent and 8 percent a year, Mr. Dalla said, and the country has about $40 billion in foreign exchange reserves.

Those reserves considerably reduce the currency risks associated with investing there, he said, giving Thailand "one of the most stable currencies in Southeast Asia."

Grammy Entertainment Public Co. is among the Thai stocks Mr. Dalla said he favors. The company, which promotes concerts and produces records, controls about 70 percent of Thailand's thriving music business.

Mr. Dalla also recommended shares of Thai construction companies, because of the country's emphasis on an expansion of its infrastructure.

Other top picks include Tanayong PLC, which is now involved in the building of an elevated railroad in Bangkok, and Italian-Thai Development Bank PLC, Thailand's largest construction company.

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THE WORLD'S DAILY NEWSPAPER

THE MONEY REPORT

Recession-Hit Europe Struggles To Shake Off Market Lethargy

By Conrad de Aenlle

EUROPEAN SHARES rose this week, relieved after the monthly U.S. employment report provided its first pleasant surprise since winter.

The relief may prove short-lived, though, as opinion mounts that a long, broad decline in European interest rates is nearly over and that even if rates fall further, there may be little in it for equities.

Investment professionals point out that the decline in rates has generated only anemic increases in economic growth and corporate earnings. It is like a summer with temperatures hovering just above freezing, and the days are getting shorter.

"I think Europe is getting into kind of a torpor," Steven Bell, chief economist at Deutsche Morgan Grenfell, said. "When you're in recession, 2 percent is a weird growth path. You're not eating into excess capacity, but it's growth. It's very rare to see a '3' before the number in any country."

Share prices have moved higher in the expectation that lower rates would improve business, but the rallies have not been convincing. Stock markets in the four main countries — Germany, France, Britain and Italy — have risen between 4.0 percent and 8.4 percent in dollar terms since the beginning of 1996, compared with 11.8 percent in the United States.

During this "joyless recovery," Mr. Bell said, "there has not been a big profit boost in equities. If interest rates stay low, it will support the market, but you're not going to see a sexy equity market in Europe without above-trend growth."

The markets in which the earth is most likely to move are in peripheral countries, such as Italy, where "you've got interest rate cuts through now and stocks are undervalued," Mr. Bell said.

"In the core stocks in core Europe, in manufacturing and cyclical industries, there are structural problems."

In Germany and France, inflexible labor markets, cumbersome regulatory regimes and high social welfare costs make it difficult to run a business, even in a benign interest-rate environment. At least in Italy, Spain and Sweden, where renewed faith in European Monetary Union has propelled heavy investment in bonds, the reduction in rates has been more pronounced.

Mr. Bell added that "there is a huge disparity in sectors. Europe is much more imperfect than the U.S. or U.K., much less researched. There are good high-tech stocks and domestic value stocks like retailing."

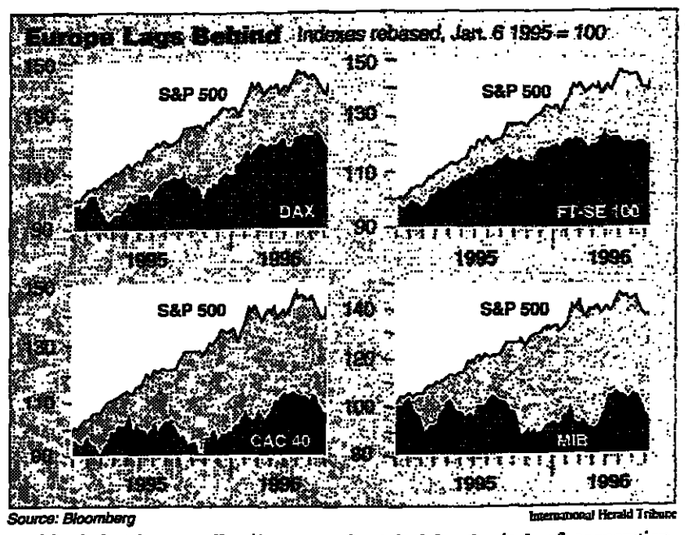
Michael Browne, head of European fund management and research at Chase Asset Management, a subsidiary of Chase Manhattan Corp., is another who has given up expecting a robust recovery.

"What has disappointed me is we've had heavy interest-rate cuts, we've had a market rally. Now what?" he said. "It looks to me like what we're going to see is a double-dip recession without a recovery in between."

Such a development would occur because "the consumer has stopped buying, above all in Germany," Mr. Browne explained. "This is extraordinary because wage agreements have put 4.5 percent to 5 percent more in Germans' pockets."

Noting that German car sales fell in June for the first time in six months, he added: "When you see turning points, you think it's little, it's not much, but I think this is significant. When we get back off the beaches in September, if I'm the chairman of a large German or French company and I see that sales were flat over the summer, I'm going to cut capital expenditure and look at staff cuts."

In such an environment, Mr. Browne suggested investing in interest-rate-sensitive industries, as well as "companies with an inherent growth rate greater than the structural growth rate," including pharmaceuticals, which people have to buy whether they like it or not, and providers of savings and investment products, such as fund management companies and life insurers.



Diminishing hopes for economic recovery compelled Richard Davidson, a strategist at Morgan Stanley, to reduce his earnings forecasts for European companies. He said he expected lower share prices over the short term, as companies have nowhere to turn to improve their prospects, least of all central banks.

"Equities are already past the point where further interest rate cuts will do anything to help," he said. "The link between short rates and equities is almost non-existent, but even falls in long rates should provide little support now."

Not that he expects lower rates. Morgan Stanley researchers expect bond yields to rise in nine of 10 major European economies over the next year, the exception being a 0.1 percent decline in Italy.

J. P. Morgan & Co. makes almost identical projections. Their pessimism is stoked by the lack of cooperation from the U.S. bond market. The employment report last week drove yields down sharply, but they are still three-fourths of a percentage point higher than at the start of the year. The prevailing opinion is that yields will continue upward as the American economy gathers steam.

Europe is growing more sluggishly, but this has not alleviated fears that inflation will soon return, putting an additional drag on rates. In London this week a collection of investment bankers called the Charterhouse Group warned that British inflation could reach 4 percent next year, and the governor of the Bank of England called for a rise in government lending rates to help ensure that targets for consumer price rises are met.

Continental bond yields, especially in the core countries apart from Germany, could also come under pressure as anticipation of monetary union begins to wither. Noting that French benchmark government bonds briefly yielded less than their German counterparts, Mr. Bell argued: "The market is pricing in too much. If EMU happens, you lose money on that trade; if EMU doesn't happen, you lose money on the trade."

Funds: Travel Warning

By Carole Gould

MUTUAL FUND investors from the United States who are thinking of trying their luck overseas should beware: Several precepts that U.S. investors hold dear are not so clear-cut abroad, warns Susan Paluch, an analyst with Morningstar Inc., the Chicago fund researchers.

For one thing, tracking the Standard & Poor's 500-stock index has worked nicely for U.S. investments in recent years, but indexing has not been a good bet away from home.

A $10,000 investment in the Morgan Stanley Europe Asia Far East index, or EAFE, in early 1990 appreciated just $2,448 through May, while the average foreign diversified stock fund more than doubled that gain, even after expenses.

That is because the EAFE index is heavily concentrated and therefore riskier. Japanese stocks make up 40 percent of the index, at the expense of other world markets. So funds based on the index — there are three — have been more volatile than actively managed funds, the opposite of what happens with the S&P index.

As a result, indexers usually generate returns near the top or the bottom of the foreign-stock objective, depending on how Japanese stocks perform.

Traditional-style considerations also become blurred overseas because growth managers buy utilities or banks — typical value plays — in fast-growing emerging markets. A better indicator for evaluating an international fund is its weighting in each country, particularly Japan and the emerging markets, Ms. Paluch said.

For example, the 1995 gains of two large-capitalization growth funds, Columbia International Stock and Harbor International Growth, differed by 19 percentage points. With no investment in Japan and 29 percent in emerging markets, Harbor's total return in 1995 was 24.3 percent; Columbia, with 37 percent of assets in Japan and only 10 percent in the emerging markets, ended the year with a gain of 5.2 percent.

The domestic equation for small-capitalization stock funds — high risk, high returns — does not necessarily hold true overseas. While small-cap foreign funds have generally improved in performance over the past six months, their less-than-stellar long-term returns still argue against them, Ms. Paluch said.

There are only 12 small-cap funds that invest solely abroad. T. Rowe Price International Discovery has landed in the bottom half of foreign stock funds in five of its seven full years, and the small- and mid-cap New Germany, a closed-end fund, has lagged behind both its large-cap counterpart, the Germany Fund, and the Morgan Stanley Germany index in each of the last five years.

THE TREND toward overseas investment continued apace at the start of the year, despite last year's strong U.S. stock market, according to a survey conducted by the Gallup Organization for Scudder, Stevens & Clark.

At the end of the first quarter, 29 percent of mutual fund investors owned international and global mutual funds, noted the survey, which covered the 12 months ended in March and was released in late July.

Moreover, 50 percent of existing global and international mutual fund owners added money to their overseas portfolios during the 12 months of the survey, while 5 percent reduced their exposure abroad. This brought the size of the average such total investment to $30,100, compared with $23,200 in the 1994-1995 survey.

The New York Times.

Old Fears and New Names Combine to Signal the Best Stocks for a Recovery

By Tom Petruno

PLENTY OF STOCKS that were high-fliers in May and June crashed in July and have barely budged since. But some issues have already come roaring back, and thus are attracting fresh attention on Wall Street.

And for good reason: The shares with the strongest upside momentum over the last two weeks are important because they may be indicating which industry groups will lead any sustained market rebound.

The question of which stocks have momentum takes on a new importance in times, like these, when Wall Street is nervous about a slowdown in corporate earnings growth and what that may portend for the big blue-chip issues that usually spearhead a recovery.

Some of the nervousness is probably unjustified: For all the anguish on Wall Street last month over corporate earnings, so far 57 percent of second-quarter reports have been above expectations, 16 percent were as expected and just 27 percent were below expectations.

Wall Street's unrepentant bulls say that concerns about a sudden, devastating end to the corporate earnings boom of the last three years — a boom that has fueled stocks' terrific rise — are so much bunk.

Yes, there is a slowdown in earnings growth occurring, said Jeffrey Applegate, investment strategist at brokerage Lehman Brothers in New York. But absent an economic recession, he thinks earnings will grow 9 percent this year and an additional 8.5 percent in 1997. That is clearly slower growth than companies, and investors, have been used to in recent years, Mr. Applegate acknowledges. But it is still growth, not the feared decline in earnings that would cause investors to lower prices they are willing to pay for stocks, he said.

But if blue-chip stocks have momentum, reflecting a classic "flight to quality" by nervous investors, many money managers are more interested in the smaller stocks that have either rocketed from their July lows or never fell much from their spring highs. The fast return of buyers to those shares, or the lack of selling in them even as the market slumped, is a sign of the stocks' inherent strength — that is, their earnings potential must be particularly robust, some Wall Streeters argue.

"What you want to find in a new bull-market move are new names to lead," says David Ryan, manager of the New USA stock fund. But that is exactly why he is suspicious about the market's rebound so far: He does not see many of the new names emerging yet in the universe of smaller stocks.

Blue chips may benefit from a 'flight to quality' by nervous investors, but it is the smaller stocks — ones that have rocketed from their July lows or never fell much from their spring highs — that managers think will lead the next bull market.

Even so, Mr. Ryan is impressed with the fast turnaround in shares like McAfee Associates Inc., a software developer that markets anti-virus, access-control and other such software. From a July low of $46.25, McAfee shares have surged to $61.125, just under their peak of $64. Also recovering quickly was CDW Computer Centers, a fast-growing telemarketer of personal computers.

Contrast the strength in those names, Mr. Ryan says, with the devastation still prevalent among most high-tech issues, including some of the hottest names of spring, such as memory device company Iomega Corp., or Brooktrout Technology. Their inability to snap back tells you that "they are just going to have to put in a lot of time" languishing at lower levels, because investors have stopped paying attention to them, he says.

Tim Miller, manager of the Invesco Dynamics stock fund in Denver, thinks the smartest bets in technology today are the biggest, proven names, such as database software giant Oracle Corp., which barely dipped during the July sell-off.

He also says that two industry groups are showing noteworthy resilience, possibly signaling that they could lead the market in any broad-based rally between now and year's end.

One of those groups is energy, specifically medium-size oil and gas exploration and production companies such as Noble Affiliates Inc. and Nuevo Energy Co., Mr. Miller says. These are companies whose base business is growing at double-digit rates and which, he says, have "significant exploration upside that is not reflected in the prices of their stocks."

Many of those shares declined only modestly in July, indicating that their owners were largely unwilling to part with them.

Another fund manager, Louis Navellier of the Navellier Funds in Incline Village, Nevada, sees the same kind of inherent strength in offshore drilling stocks such as Reading & Bates Corp. and Sonat Offshore Drilling Inc.

Meanwhile, some specialty retail chains — specifically those serving teenage girls — have quickly rallied from their July lows, Mr. Miller notes. He thinks that this group, including such chains as Wet Seal, Gadzooks & Claire's Stores, is on the verge of benefiting from a demographic jump in the number of American teen-agers.

Teen girls "are an under-served retail market now," Mr. Miller says, because that store sector was hit by the greatest amount of consolidation in the retail industry over the last few years.

The appeal of all of these stocks is that they appear to boast very healthy earnings growth potential in a market where that trait is in ever shorter supply. But neither are these stocks inexpensive: Most sell for price-to-earnings ratios of 30 to 50 based on estimated 1996 earnings. That is a lot less than the P/Es on many of spring's high-fliers, but it is still not cheap.

Then again, the momentum game is not about what is cheap — it's about riding market leaders for as long as they stay in the lead.

The Los Angeles Times.

BRIEFCASE

Analysts Fight Charges of Bias

Are you wondering whether to buy or sell? Do not count on your brokerage firm for objective advice, according to a study of more than 8,000 stock evaluations by investment firms.

Brokerages routinely pressure their securities analysts to give overly optimistic assessments of securities sold by client companies of the brokerage, the study by the Graduate School of Business at Columbia University suggests.

While the allegations are not new, the study bills itself as the first to extensively document the problem by looking beyond anecdotal evidence.

The Securities Industry Association, the main U.S. trade group for brokerages, questioned the study's conclusions and denied any pervasive bias in the industry.

While the study did not mention individual companies, brokerages generally have denied that they pressure their stock analysts to make recommendations, saying that the analysts are independent of the securities sales staff.

The study's authors dismiss as ineffective the safeguards that brokerage firms have in place to prevent abuses, including in-house rules limiting communication between investment bankers and analysts about pending deals.

"It raises the possibility that investors who are acting on the advice can suffer losses," Mathew Hayward, the study's lead author and a doctoral candidate in business administration, said.

"In our view there is not nearly enough being done by the regulatory authorities to, one, protect investors against this type of loss and, two, ensure this doesn't happen."

The study, which looked at 8,169 assessments of 70 companies made between 1989 and 1993, found that 93 percent of the analysts working for firms that did work for stock issuers rated the stock higher than analysts at firms that did not work for the stock issuer. *(AP)*

Do Activist Funds Make an Impact?

A new university study suggests that activist pension funds — often praised for turning up the heat on weak corporate managers — actually have no significant impact on corporate profits and stock value.

The analysis of 197 large companies chosen at random, and of 13 activist funds that held their stock more than four years, reported that "activism has no appreciable effect on firm performance." The study said "even the most activist of institutions are apparently unable to achieve performance gains, in the aggregate."

Institutional investors, primarily large pension funds and mutual funds, own more than half the stocks traded in the United States. Since the late 1980s some of the funds, such as the California Public Employees' Retirement System, or Calpers, have used their financial might to pressure corporate boards into paying closer attention to raising the value of their shares.

Funds have suggested tying executive compensation to stock price, adding more independent directors and selling off unprofitable operations.

Officials at Calpers, which was included in the study, as well as at the Council of Institutional Investors in Washington, disagreed with the report's conclusion and offered other studies that say their work has had impact. *(WP)*

Nomura to Start On-Line Trading

Nomura Securities Co. will start an internet service called Nomura Home Trade in late January that will provide information on bonds, stocks and other investments as well as support personal capital management systems.

Subscribers can access the service by using a PC or video game machine.

Clients can begin signing up for the service on Sept. 5. The basic monthly fee of 1,000 yen ($9.32) has to be paid in advance. The service is for clients who wish to make their own investment decisions at home, Nomura said. *(Bloomberg)*

Sexist Image Lags High-Tech Reality

Investors looking for clues to leading-edge technology companies might do well to watch the advertisements these companies place on television and in print media to see how — or even if — they market to women, a new survey implies.

The Intelliquest Information Group Inc., a technology research company, found that women were active and frequent users of a range of technology products — but that the typical advertising image of a woman using technology was most frequently that of a telephone operator or a secretary to a male executive.

For instance, 65 percent of the women surveyed said they had purchased a personal computer for home use in the past two years. Thirty percent said they had installed those PCs themselves, and 24 percent said they had personally paid for those purchases.

When asked to identify the most important criteria in choosing a computer, 39 percent said features and 38 percent said performance or speed, compared with 16 percent who identified price and only 7 percent for brand.

And 53 percent of those surveyed said advertising for computer-related products did not appeal to them because it was aimed at men. *(NYT)*

U.S. Pensions Get New Safeguards

Companies will be less likely to abuse workers' 401(k) plans as a result of a new Labor Department rule requiring firms to promptly invest the retirement money, according to Labor Secretary Robert Reich.

The new 401(k) rule, effective in six months, requires companies to invest money deducted from workers' paychecks into the retirement funds within 15 days after the end of each month. Currently, companies can retain the money up to 90 days. *(AP)*

Share Sale to Fund China Net Venture

Sparkice I-Com Ltd., a Canadian company that will start a joint-venture Internet service in China next month, plans to sell up to $20 million in shares in the United States next year, its chairman said.

The money will be used to fund a joint venture it formed this year with China United Telecommunications Ltd., the nation's number-two phone company, controlled by several government agencies. The venture will build a network in 10 cities, linked to the Internet. *(Bloomberg)*

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July Market Scoreboard

Best Performers	Price July 31	% change
New York Stock Exchange:		
Battle Mountain Gold Co	9.125	25.9
Washington Mutual	38.375	21.8
American PWR Conversion	11.750	14.6
Electronic Arts	30.000	12.1
Hershey Foods Common	53.000	11.8
Biogen	61.125	11.4
Smith International	33.500	11.2
Compaq Computer	54.625	11.2
US Surgical Corp	94.250	10.5
EMC Corp	107.500	8.6
Frankfurt Stock Exchange:		
Linotype-Hell	94.00	25.3
Bayer Vereinsbank Stamm	49.85	16.7
Muenchener Rueck Inh	2650.00	16.1
Bayer Hypotheken Bank	42.33	14.6
Volkswagen Vz Holding	515.00	10.2
Hoesch Brasenel	343.00	8.5
Commerzbank Akten	241.80	8.5
Aachen & Muench Bet Nenwt	1210.00	8.0
DBV Holding	480.00	7.9
Aachen & Munich Bet Inh	980.00	7.3
Paris Stock Exchange:		
Credit Foncier de France	88.20	103.6
Docks de France	1270.00	16.5
Credit Lyonnais Cert Inv	130.60	8.4
Eurotunnel (Paris)	8.15	7.2
Essilor	570.00	3.8
Cap Gemini	208.00	3.0
Generale Geophysique	315.10	3.0
Rertrand Faure	174.00	2.4
Sodetic	2311.00	1.2
Union Immobiliere France	424.00	0.7
London Stock Exchange:		
Captain Group	0.660	69.2
Statoseen (Cruiseen)	3.650	39.6
Sutor	2.090	22.9
East Midlands Elec	5.950	14.2
British Sky Broadcasting	4.970	13.0
Lloyds TSB Group	3.490	9.8
Great Portland Estates	1.790	9.8
General Electric Plc	3.795	9.5
South West Water	7.130	8.7
Vickers	2.620	8.3
Tokyo Stock Exchange:		
Shimano	2130.00	6.7
Shimachu Co	3370.00	3.7
Orix Corp	4200.00	3.4
Aoki International Co	2430.00	3.4
Japan Telecom Co	2510.00	3.3
Sumitomo Forestry Co	1680.00	3.1
Daiichi Pharmaceutical	1740.00	3.0
Acom Co	4380.00	2.1
Aoyama Trading Co	2930.00	2.1
Japan Airport Terminal	1580.00	1.9

Worst Performers	Price July 31	% change
New York Stock Exchange:		
Foxmeyer Health Corp	6.875	-53.8
Cellstar System	18.250	-48.3
Netscape Communications	39.500	-36.5
United Healthcare Corp	32.750	-33.2
Office Depot	14.375	-29.9
Micron Technology	18.875	-27.1
Darden Restaurants	7.875	-26.7
Zenith Electronics Corp	8.875	-26.0
Comdisk Corp	19.250	-26.0
Circus Circus Enterprise	30.750	-25.0
Frankfurt Stock Exchange:		
Deutsche Babcock Stamm	62.20	-29.0
DLW	99.00	-24.4
Pfaff (GM)	49.20	-18.0
Brau & Brunnen	132.80	-16.5
Holzmann (Philipp)	358.00	-16.2
Villeroy & Boch Vorzug	194.00	-14.9
Feig Kugelfischer Stamm	194.00	-14.2
Schmalbach-Lubeca	255.50	-14.5
Feg Kugelfischer Vorzug	192.80	-14.3
Kolbenschmidt Stamm	16.70	-14.1
Paris Stock Exchange:		
Eiffage	441.00	-24.5
Dassault Electronique	296.80	-18.5
Gerus	90.75	-18.2
Cimenta Francais Priv. B	173.60	-18.1
Euro Disney	11.85	-18.3
Schneider	227.60	-15.7
Legis Industrials	200.00	-15.8
Rieny Cointreau	129.00	-14.8
Simco	406.10	-14.5
Havas Advert. (Euro RSCG)	500.00	-13.8
London Stock Exchange:		
Amstrad	1.455	-22.8
Orange	1.740	-22.7
Dawson International	0.640	-22.0
Simon Engineering	0.505	-16.5
Marcroe	0.890	-15.2
Asfac (BSR)	1.290	-14.7
Reuters Holdings	8.735	-13.5
Nynex Cablecoms Unit	0.910	-13.3
Telewest Communications	1.410	-12.7
Charter	8.140	-12.5
Tokyo Stock Exchange:		
Nippon Denko Co	460.00	-21.6
Nagaseikya Co	760.00	-21.6
Tokyo Sowa Bank	510.00	-20.3
Pacific Metals Co	468.00	-19.4
Shokusan Jutaku Sogo Co	375.00	-18.3
New Japan Securities Co	647.00	-18.0
Nissho Iwai Corp	508.00	-17.7
Showa Line	190.00	-17.4
Sumitomo Silix Corp	2000.00	-17.4
Shinko Electric Ind. Co	2910.00	-16.8

Compiled by Morgan Stanley Capital International. Prices in local currencies.
International Herald Tribune

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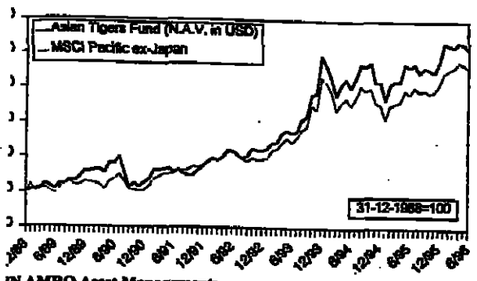
هكذا من الأصل

THE FUND PERFORMANCE FOCUS

The I.H.T. would like to remind its readers that past performance is no guarantee of future results and that the value of an investment and the income from it can go down as well as up.

ABN·AMRO — ASIAN TIGERS FUND



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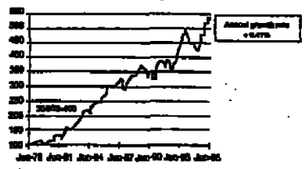
1

BBL Patrimonial Balanced
International Mixed Fund



BBL Patrimonial Balanced manages assets exceeding LUF 22 billion (US$ 730 million). In compliance with its investment objective, BBL Patrimonial Balanced invests worldwide in cash, bonds and equities. Assets are weighted in accordance with BBL's investment strategy for balanced portfolios. Shareholders benefit from BBL's in-depth knowledge of the international market scene and the outstanding returns it has managed to achieve, as shown in the chart above.

BBL Patrimonial Balanced is a sub-fund of the Luxembourg-based mixed fund BBL Patrimonial which also provides access to other countries or areas:

Country fund → BBL Patrimonial Belgium;
International funds → BBL Patrimonial Aggressive (emphasizes equities);
→ BBL Patrimonial Defensive (emphasizes bonds);
European fund → BBL Patrimonial Euro-Core (invested in Belgium, Germany, The Netherlands and France).

Currently, BBL offers investors a choice of more than 90 sub-funds and manages fund assets in excess of BEF 525 billion (US$ 18 billion).

The BBL fund range includes
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- bond funds (BBL Renta Fund, BBL (F) Renta Fund);
- equity funds (BBL Invest, BBL (L) Invest, BBL (F) Invest France);
- mixed funds (see above);
- as well as a "high-tech" fund (BBL Technic).

Further information: BBL Invest Info ☎ 32/2/481 33 40
Monday through Saturday 7 am → 10pm

2

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EQUITABLE HOUSE INVESTMENTS LTD

The Volatility Fund, a totally different concept in hedge funds, started trading on 1st August. Its objective is to take advantage of market mispricings through volatility based trading techniques. Its trading style is similar to an institutional arbitrage and proprietary trading desk funded by investor, rather than bank capital.

The operation is jointly managed and promoted by Credit Lyonnais Rouse Ltd and Equitable House Investments Ltd. EHI is the sole investment adviser whilst CLR is responsible for administration, distribution, clearing, settlement and global custody.

The Fund uses investment techniques developed at Equitable House Investments by Dr M. Desmond Fitzgerald. The investments managed by Dr Fitzgerald have shown a cumulative return since inception in September 1993 of over 80%. Returns of over 30% were made in the first half of 1996.

For further information please contact Bruce Thatcher:

Credit Lyonnais Rouse Ltd
Broadwalk House
5 Appold Street
London
EC2A 2DA
Telephone: (44) 171 214 6620
Fax: (44) 171 638 0373

Credit Lyonnais Rouse Ltd and Equitable House Investments Ltd are regulated by the SFA.

3

GLOBAL ASSET MANAGEMENT

Fund	Launch	% Change Since Launch	% Change 5 Years	Size (m)
GAM Amalgam	01-Oct-81	+69.28	–	£ 33.4
GAM Far East	01-Jan-87	+318.50	+105.23	£ 86.2
GAM North America	02-Jan-85	+383.86	+130.78	£ 31.9
GAM Sterling European	09-Dec-88	+87.96	+86.83	£ 70.3
GAM Sterling & Int.	09-Jan-84	+607.91	+96.26	£ 86.9
GAM UK Diversified	15-Aug-80	+145.48	+96.88	£ 42.1
GAM Asia	06-Oct-84	-2.86	–	DM 68.2
GAM Europe	12-Oct-92	+61.28	–	DM 37.8
GAM Orient	16-Sep-91	+86.72	–	DM 86.6
GAM Total Bond	31-Dec-92	+85.36	–	DM 10.3
GAM Tokyo	04-Mar-92	+19.17	–	DM 280.9
GAM Universal D.Mark	02-Aug-90	+89.88	+86.64	DM 317.6

(Source – Micropal and GAM as at 29/7/96)

For further information please contact:

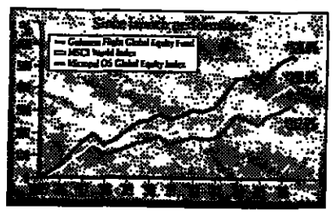
GAM Fund Managers (Isle of Man) Limited
11 Athol Street, Douglas, Isle of Man IM99 1HH, British Isles
Tel: 44 1624 632 632 Fax: 44 1624 632 813 GAM on the Internet: info@gam.com

Shares in the funds described are not available for sale in any jurisdiction in which such sale would be prohibited. Subscriptions will only be received and shares issued on the basis of the current prospectus for the funds. Performance comparisons are based on offer-to-offer prices with income reinvested on a net basis for unit trusts and on a gross basis for units funds. Past performance is not a guarantee of future performance. The price of shares can go down as well as up and may be affected by changes in rates of exchange. An investor may not get back the amount invested. Every effort has been made to ensure the accuracy of the financial information herein but it is based on unaudited figures. UCITS funds are not available to residents of the Republic of Ireland. Issued by GAM Fund Management Limited, 4th Floor, 65-66 Lower Mount Street, Dublin 2, Ireland. GAM Fund Managers (Isle of Man) Limited is licensed to conduct investment business by the Isle of Man Government Financial Supervision Commission

GAM

4

GLOBAL EQUITY FUND



- The Guinness Flight Global Equity Fund, a Guernsey-based distributing fund, aims to achieve capital growth through investing in an international portfolio of equities.
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For further information, please contact our Investor Services Department in Guernsey on:

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Internet: http://www.guinness-flight.co.uk

GUINNESS FLIGHT

Source: Micropal, offer to offer, gross income reinvested in US$ 1.2.95-1.8.96. Five year performance to 1.8.96: +81.7%. Past performance is not necessarily a guide to the future. Fluctuations in the value of the underlying securities and the income from them and changes in interest and exchange rates mean that the value of this investment and the income from it may fall as well as rise and is not guaranteed. Issued by Guinness Flight Global Asset Management Limited, regulated by IMRO and the Personal Investment Authority. 3154-88

5

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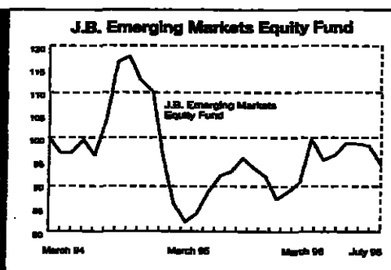
Investors are warned that the prices of warrants and therefore the price of shares may fall as rapidly as they can rise. A warrant often involves a high degree of gearing so that a relatively small movement in the price of the security to which the warrant relates may result in a disproportionately large movement, unfavourable as well as favourable, in the price of the warrant. Changes in the exchange rate between currencies may cause the value of the investment to diminish or to increase. All or most of the protections provided by the UK regulatory system do not apply to these investments, and compensation under the UK Investors Compensation Scheme may not be available. I.H.T.

6

J.B. Emerging Markets Equity Fund



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- shares are low- priced compared with alternative investment opportunities in most industrialised countries as well as in a historical perspective,
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7

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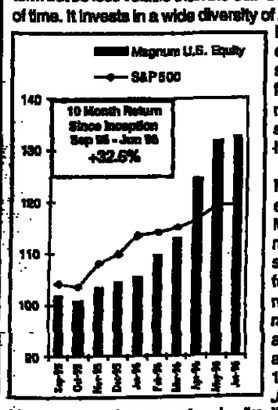

Magnum U.S Equity benefits from the experience of Magnum Fund Management Ltd., specialists in selecting the best hedge funds in the world. Magnum offers a complete range of diversified funds and specialist single manager funds. On March 5, 1996, *The Wall Street Journal Europe* named Magnum Fund the top-performing "multifund" in the world during the previous 12 months.

Minimum investment: $100,000. For more information, contact Dion Friedland or Magnum Fund Management Ltd. at:
(Fax) 809-356-6640, (Phone) 809-325-1033
P.O. Box N-9204, Charlotte House
Charlotte Street, Nassau, Bahamas

9

Momentum

One gold, two silvers, one bronze

Universal Hedge
Macro hedge fund strategies, multi-manager
Launched 2/5/96. Return to 30/6/96 +35.57%
#1 12 Month performance to 30/6/96, 'Actively Hedged' (*Micropal*)

Rainbow
Diversified, multi-strategy, multi-manager
Launched 31/12/92. Return to 30/6/96 +46.59%
#2 12 Month performance, 'Actively Hedged' (*Micropal*)

AssetMaster
Diversified derivatives and arbitrage
Launched 30/6/91. Return to 30/6/96 +101.32%
#2 3 year performance, 'Derivative Instruments' (*Micropal*)

StockMaster
Macro hedge fund management
Launched 31/3/92. Return to 30/6/96 +98.31%
#3 3 year performance, 'Actively Hedged' (*Micropal*)

Momentum Rainbow, Momentum Stock-Master and Momentum AssetMaster were launched as private partnerships managed within the Momentum Group and the units were converted into shares in the relevant funds on 24 September 1993, 24 February 1994 and 28 April 1995 respectively

M O M E N T U M
A S S E T M A N A G E M E N T

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10

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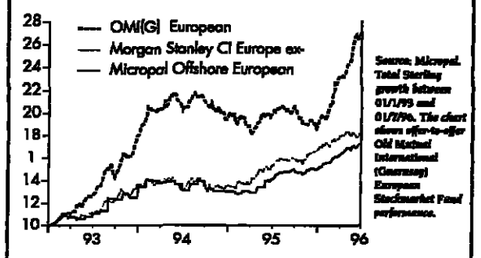
Comprehensive Outperformance



Source: Micropal. Total Sterling growth between 01/1/93 and 01/7/96. The chart shows offer-to-offer Old Mutual International (Guernsey) European Stockmarket Fund performance.

OLD MUTUAL INTERNATIONAL

11

ORBITEX

THE ORBITEX DYNAMIC FUND

+ 88,1 %*

*Since the inception of the Fund on August 1, 1995 to June 30, 1996, the NAV of the ORBITEX DYNAMIC FUND rose from US$ 5.00 to US$ 9.40 or by 88.1% versus 18.4% recorded by the NASDAQ.

A sophisticated Hedge Fund with a concentrated portfolio of only the «best ideas» of our top investment managers. Shorts and derivatives are used to provide both absolute return contributions and relative downside protection.

V-Factor Strategy

As the market goes down:
- become more aggressive
- reduce short position exposure
- add to positions in favored stocks
- decrease cash position

As the market goes up:
- become more conservative
- increase short position exposure
- reduce or sell fully valued stocks
- increase cash position

For further information contact:
ORBITEX Management Limited, Maritime House, Frederick St., P.O. Box N 9932, Nassau, Bahamas
Tel. 809-356-6456, Fax 809-328-8841, Internet hedge@orbitex.com

12

Perpetual THE FUND RANGE

Fund	Launch Date	% Change Since Launch	% Change 5 Years	Fund Research Rating
International Growth	25.1.83	+521.2	+64.7	AAA
Emerging Companies	8.4.85	+569.4	119.1	AAA
Global Bond	7.12.92	+18.2	—	—
American Growth	21.4.84	+1,022.7	+116.9	AAA
Latin American Growth	31.1.85	+12.3	—	—
Far Eastern Growth	8.11.86	+425.0	+123.0	AAA
Japanese Growth	30.11.91	+34.8	—	AA
Asian Smaller Markets	8.3.93	+78.4	—	AAA
UK Growth	24.10.87	+290.1	+100.8	AAA
European Growth	8.11.86	+165.4	+71.6	—

GENERAL INFORMATION ON PERPETUAL UNIT TRUST MANAGEMENT (JERSEY) LIMITED
- Offers 10 offshore funds investing worldwide (Minimum investment: US$2,000)
- Since launch, 7 funds have achieved top quartile performance
- Over the last five years, 5 out of 6 funds have achieved top quartile performance
- Offshore Portfolio Management Service, based on fund range, also available (Minimum investment: US$150,000)

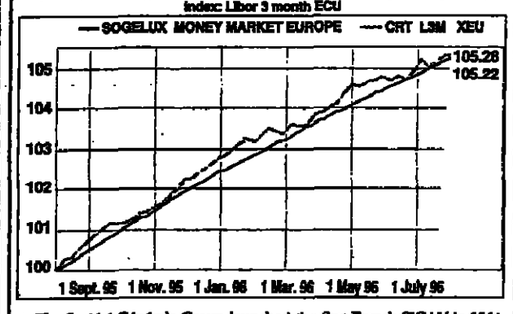
All statistics are to 1st August 1996, on an offer-to-offer, US Dollar basis including reinvested income, net of withholding taxes (source: Micropal). †Fund Research Ltd is a leading independent qualitative research company. The top Fund Research rating is AAA.

For further information please 'phone our Customer Services Department on +44 (0)1534 837980, or send us a fax on +44 (0)1534 38918.

13

SOGELUX FUND
MONEY MARKET EUROPE

Net Asset Value per share evolution
(Base 100 Starting Period) July 31, 1995 to July 30, 1996, (Currency: ECU)
Index: Libor 3 month ECU



The Société Générale Group launched the first French SICAV in 1964 and manages today more than USD 70 billion in over thirty financial market places worldwide, on behalf of private investors and institutions.

Since 1987, the Société Générale Group has been offering a Luxembourg based mutual fund, SOGELUX FUND, today composed of 34 compartments with a total NAV of USD 520 million.

SOGELUX FUND includes:
- 10 bond compartments specialized in countries or geographic areas (USA, Japan, Europe, Germany, France, UK, Belgium, Switzerland, Spain, Italy) denominated in the corresponding currencies, and one worldwide diversified denominated in USD.
- 16 equity compartments specialized in North America, Europe, Japan, International Growth, Gold Mines, France, Germany, Italy, Spain, Switzerland, Pacific, UK, China, Emerging Asia, Latin America, World.
- 7 money market compartments: USA, Europe, Belgium, Switzerland, Germany, France, Italy.

SOGELUX FUND - MONEY MARKET EUROPE outperformed its benchmark over a period of one year (cf.graph).

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Mail this coupon or send fax to:

Christopher Seth/Fund Performance Focus
International Herald Tribune, 63 Long Acre, London WC2E 9JH
United Kingdom. Fax: (+44-1-71) 240 3417.

Please send me information on the funds circled at no cost or obligation.

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IHT 10/08/96

12-8-96

WORLD ROUNDUP

Paul Barker/The Associated Press

Pakistani batsman Moin Khan, *left*, being congratulated Friday after scoring 100 runs.

Pakistan in Control

CRICKET Moin Khan took a risky single off the last ball before tea to score an entertaining century and help Pakistan take command of the second Test at Headingley. Moin, who shared a record seventh-wicket 112-run partnership with Asif Mujtab, dived at full-length to make his 100th run.

He tried to drive home Pakistan's advantage after tea but was dismissed for 105 before his team was all out for 448. Moin then caught out England captain Mike Atherton (12), who inside-edged Pakistani captain Wasim Akram with the score on 14. But Alec Stewart and Nasser Hussain then built a 90-run partnership as the home side raced to 104 for one by stumps. *(AP)*

Hill Is Fastest in Practice

MOTOR RACING Damon Hill of Britain was quickest in Friday's opening practice for Sunday's Hungarian Grand Prix. Hill, who holds a 21-point lead in the world drivers' championship with five races remaining, clocked a best time of one minute, 21.144 seconds — just two-hundredths of a second faster than Michael Schumacher of Germany. *(Reuters)*

Allen to Run the Reds

BASEBALL John Allen, the Cincinnati Reds' interim managing executive, will run the team through the end of 1998, the National League said Friday. Allen has run the club since June 12, replacing Marge Schott. *(Bloomberg)*

Mickelson Charges to PGA Lead

Singh Aces the 14th; Norman Fights Into Contention

The Associated Press

LOUISVILLE, Kentucky — Once Phil Mickelson brought his putter to life, not even the most deadly pin placements at Valhalla Golf Club could slow his attack Friday at the PGA Championship.

Mickelson, who bogeyed the first two holes in the morning, completing his storm-delayed first round, shot his second 5-under-par 67 to lead at 134 with more than half the field still on the course.

He had a four-stroke lead over first-round leader Kenny Perry and Vijay Singh. "I've been hitting the ball well, but I've been putting awful," Mickelson said. "I've been working on taking the putter back straighter, and I've made a few more putts."

Singh aced the 208-yard 14th hole and shot 69 for the second straight day. Perry, the Kentucky native with the hometown gallery, got to 8 under through 11 holes before faltering to a 72. Both were doomed down the stretch by missing greens, a good recipe for bogey because of the devilish bluegrass rough and contoured greens.

"With the pin placements being difficult, the course will be harder than we thought," said Singh, who finished fourth at the PGA in 1993. "My putting was up and down."

Perry said he had a similar round to his 66 on Thursday. "The only difference was I couldn't convert the putts," he said. "I could have shot four or five better, but I didn't."

Putting wasn't a problem for Mickelson once he got past the first two holes. He was tied with Perry at 6 under when he returned to the 13th tee at 7:40 A.M. to finish his round.

Mickelson three-putted from 25 feet for bogey, then missed an 8-foot par putt on the 14th. He got back a birdie on the next hole and parred in for a 67.

When he reached the 13th tee box for the second time Friday, he was in the same position when he started — 6 under. This time, however, he birdied 13 and 14, then worked his short game to perfection.

Mickelson chipped from dense rough around the 16th green to 4 feet and made it for par, then hit it to within 18 feet from a fairway bunker at No. 17 for another birdie, sloping over a ridge dead into the cup.

He birdied the par-5 18th by getting to within 2 feet from a greenside bunker. "The golf course is similar to the three courses in Arizona that Jack Nicklaus designed up at Desert Mountain," Mickelson said. "The shots required on this course are very similar. I felt like I could shoot a 67 out here, because that's what I shot out there. So, it put me in a very positive frame of mind."

Greg Norman, the only player to finish in the top 10 in all three majors this year, put himself in position again. He was in the lead at 7 under after 11 holes, but gave back a bogey by missing the green at No. 12, then chunked a 5-iron into the water at the 15th for a double bogey.

Norman, who made three straight birdies in his restart of the first round and completed a 68 Friday morning, shot a 72 and was at 4-under 140. He was tied with former Masters champion Ian Woosnam.

Tom Watson, who needs this championship to complete the Grand Slam, missed a 5-foot birdie putt on the 18th hole and shot a 71. He was also at 140. Defending champion Steve Elkington shot a 67 on Thursday and was at 6 under through two holes. Other late starters included two-time PGA champion Nick Price (68), Masters champion Nick Faldo (69) and 1993 PGA champion Paul Azinger (70).

The reason for the late start was a bizarre first round on Thursday. Play was delayed for nearly four hours by lightning and thunderstorms, then suspended again at 8:30 P.M. when it got too dark. Sixty players had to finish their rounds Friday morning, then head straight to the first tee when they were finished.

Some players had predicted a low winning score at Valhalla — Nicklaus, the designer, said he wouldn't be surprised to see it happen. The only trepidation was tricky pin placements, and Friday showed why.

But the Nicklaus design brought Mickelson closer to home, and closer to his first major championship.

■ LPGA Rookie Shoots a 65

Karrie Webb, a rookie who is playing some of the best golf on the LPGA tour, opened with a 7-under-par 65 Thursday for a two-stroke lead at the Ping-Welch's Championship in Canton, Massachusetts.

Webb was one shot off the course record at Blue Hill and matched the first-round mark set last year by Beth Daniel and Jane Geddes.

Janet Anderson and Vicki Fergon were at 67, with the 1991 winner, Julie Inkster, and Danielle Ammaccapane at 68.

Webb is the tour's second-leading money winner, and on Thursday she showed why she is a leading candidate to capture the LPGA rookie of the year and player of the year awards.

"I hit the ball really well and hit all 18 greens," she said. "I wasn't that far away from the pin. I had a good rhythm and I didn't have many second putts that were too far away."

Webb began with a birdie on the first hole, rolling in a 7-foot putt. She added birdies on Nos. 5 and 7 to make the turn at 3-under 33.

The 21-year-old Australian had her putter working on the back nine as she took the lead. "I was reading the putts well out there," Webb said. "When you feel like you see the line it really helps your confidence."

Webb sank a 25-foot birdie putt on No. 12 to get to 4-under, then added 20-foot birdie putts on Nos. 13, 17 and 18.

Anderson's only LPGA victory came in the 1982 U.S. Open. She has struggled since, missing most of the 1993 season with a hand injury. On Thursday, she started with bogeys on two of the first three holes but then ran off a string of five straight birdies beginning on the sixth hole.

■ Amateurs Need Long Playoff

Joellyn Erdmann of Little Chute, Wisconsin, defeated Grace Park of Phoenix, Arizona, on the ninth playoff hole Thursday to advance to the semifinals of the U.S. Women's Amateur Championship in Lincoln, Nebraska. "It was just everything a golfer looks for in a great match," Erdmann said. "But towards the end, I started getting tired."

Only twice before in the championship's 96-year history — in 1950 and 1978 — have 18-hole matches been stretched to 27 holes. The defending champion, Kelli Kuehne of McKinney, Texas, defeated Kim O'Connor of Leavenworth, Kansas, 4 and 3, and also advanced to the semifinal at Firethorn Golf Club.

The other semifinalists are Jenny Lee of Austin, Texas, who defeated Martha Leach of Hebron, Kentucky, 2 and 1, and Maria Baena of Colombia, who defeated Laura Philo of Fernandina, Florida, 2 and 1. Erdmann's victory marked her second struggle of the day. In the morning's third round of match play, she was 3 down after 13 holes to Eve Lux of Highland, New York, then won four holes in a row.

Jeff Christensen/Reuters

Phil Mickelson, who shot a 5-under par 67 for the second straight round, hitting his approach to the 18th green Friday at the PGA Championship.

On a Hot Day, Caddies Get Shorts Shrift

By Leonard Shapiro
Washington Post Service

LOUISVILLE, Kentucky — Put in historical perspective, it does not rank with the signing of the Magna Carta or the first shots of the American Revolution.

But in the often stodgy world of tournament golf, two caddies took a stand for their bag-toting comrades on Thursday, and for a change, also took some of the attention away from the men for whom they toil.

In stifling humidity and temperatures in the high 90s Fahrenheit (mid-30s centigrade) before an afternoon thunderstorm cooled things off, Andy Martinez, who carries British Open champion Tom Lehman's clubs, and Scott Jones, who works for his brother Steve, the U.S. Open champion, did the sensible thing. They wore shorts, deliberately flaunting a long-standing tournament and PGA Tour policy.

The long and shorts of this bizarre day in the bluegrass, one that also included an almost four-hour weather delay, mostly focused on the issue of attire.

Valhalla members can play in shorts and many spectators strolled the grounds in Bermudas or far shorter outfits. But "male caddies must wear slacks" and "shall not wear shorts anywhere on club property," according to the rules the PGA of America sent to caddies and contestants a month ago. The PGA Tour also has a no-shorts rule for players.

There is one exception to the overall rigidity: In the Hawaiian Open, women caddying for men are allowed to wear culottes or shorts.

On Thursday morning, the two caddies courageously made it to the second tee before an official, Scott Cain, a PGA of America staff director, ordered them to change into long pants, or face the possibility of being escorted off the course. Steve Jones said later that the two players also were warned they'd be removed as well.

"We were told at No. 2 if your caddies don't change, they would throw us off," Steve Jones said.

Cain was not available to comment. Later in the day, the PGA executive director Jim Awtrey insisted that Cain never threatened to remove the players, only the caddies, and replacements would have been provided.

"At no time did the official indicate the players would be removed," Awtrey said.

Both caddies had packed long pants in their bags just in case. On the second tee, with about 30 spectators watching, they quickly removed the "offending" shorts and put their pants on, one hot leg at a time.

Dennis Poroy/The Associated Press

Cigar and his trainer, Bill Mott, walking at Del Mar, where the horse will run for a record 17th straight.

Poised to Break Citation's Mark, Cigar Rivals the Best

By Jim Murray
Los Angeles Times Service

LOS ANGELES — I never saw Man O'War. But I saw Citation, which was the same thing. I saw Secretariat. I thought Citation was better. Heck, I thought Affirmed was too. It's a very subjective thing. A lot of my colleagues will disagree with me.

I thought Citation was the best racehorse I ever saw, a not-inconsiderable accolade when you consider my gallery also included Swaps, John Henry, even Native Dancer.

Most railbirds would opt for Secretariat, but I could never get over the fact that Secretariat lost the Wood Memorial (he finished third) two weeks before the Kentucky Derby. It is Murray's Law that good horses win, losing horses excuse. Period.

It's hard to argue with Secretariat winning the Belmont by — what? — 31 lengths? But he lost (to older horses) twice later that year.

There is the additional fact that neither Secretariat nor Man O'War stayed on the track to test handicap horses later in their careers. They quit at 3. Man O'War quit because the racing secretary promised if he stayed on the track that they would load "the heaviest weight ever carried by any horse" on him. Man O'War went to stud. So did Secretariat, at age 3. Citation didn't.

I first ran into Citation in his 5-year-old year. He had to skip his 4-year-old season, injured. He laid out the whole year, but he shipped out to Santa Anita as a 5-year-old. In those days, a railroad spur ran right out to the track and my magazine editor sent me out to cover the arrival and subsequent comeback campaign of the Calumet Big Horse.

I remember I learned a lot about racing from Citation's Jimmy Jones, one of the famous Jones boys trainers, Papa Ben and son Jimmy.

Jimmy Jones put the horse on the track for the first time in a year in a driving rainstorm. It puzzled me. If golf couldn't be played, how could a healing horse come back? Jones snorted. "A sloppy track in driving rain is the same as a fast track," he summed up. Lesson One.

I remember challenging him on Citation's credentials, because the horse didn't have the fast times some champions had. He had won his Kentucky Derby in 1948 in 2:05 and 2/5, his Preakness in 2:02 and 2/5, and his Belmont in 2:28 and 1/5. (Secretariat was to win his Belmont, unpressed, in 2:24 flat, his Derby in 1:59 and 2/5 and Preakness in 1:54 and 2/5, for instance).

Jones snorted. "Let me tell you about time," he instructed me at the time. "We have a horse, Coaltown, who can and has run the three-quarters in 1:07 and change. Citation runs it in 1:10 and change. Yet, when we put them in the same race, Citation wins. In 1:10. Time is incidental. In the Kentucky Derby, Citation beat Coaltown by 3½ lengths. Know what Citation ran the three-quarters in that day? 1:12 and change." I got it. I also got a grasp on Citation. His edge was courage and will.

Racehorses are the faintest hearted of God's creatures, for the most part. Look them in the eye at the quarter-pole and most of them want to call 911. Or their mothers.

But what I remember mostly about that year is, Jones put the brave Citation in an inconsequential six-furlong tightener as his second comeback race. Citation ran his 1:10. He lost it, by a neck, to an inferior sort called Miche, who was getting a 16-pound pull in the weights from Citation.

Now, it seemed to mean little at that time. Just a complicated work for big Cy. But it has acquired meaning since. That race ended a 16-victory win streak for Citation. No one thought it mattered.

It matters now, a generation later. Because no horse has ever hung up a victory skein like that.

Until this year. A horse called Cigar has just tied the great Citation's record. And on Saturday at Del Mar, California, in the Pacific Classic, he has a chance to break it.

Now, in the little world of thoroughbred racing, this record is akin to Joe DiMaggio's 56-game hitting streak. Man O'War won 15 straight, Colin won all 15 races he ran in 1907, but 16 was the standard until Cigar tied it at Arlington last month.

Who is Cigar and why is he doing these terrible things to Citation? Well, Cigar is no one you want to see in your rear-view mirror. If Cigar were human, his nickname might be Rocky. A great part for Stallone and a throwback to Marciano who set pugilism's win-streak standard of 49 in a row.

Like the Rock, Cigar is not long on style, only results. He's got the long stride of the great ones, but he's not the kind of horse you could set a glass of water onto and not have him spill a drop. He'd be a puncher, not a boxer. He'd get off the floor to beat you. His attitude is, your place, my place, whatever. He has won in the burning sands of Arabia, the leafy bowers of upper New York state, the prairie tracks of the Midwest or the sunny slopes of California. He's not going to beat you by 31 lengths, but he's going to beat you. He loves a good scrap. The margin is incidental. When the hand is played, he's showing aces.

He's a kind of late bloomer — but that's because they thought he was a grass horse. He hated the stuff. He wanted to eat it, not run on it. He wanted to get down in the dirt where a guy could dig in and not slide all over the place. American racing, not Longchamps or steeplechases.

Like Citation, Cigar is good for racing. It has been a sport plagued by absentee stardom. Horse racing is unique in sport in that, once it establishes a star, he vanishes. Retires to stud.

A Babe Ruth, a Jack Dempsey, Joe Louis or Jack Nicklaus doesn't make his mark in a World Series, title fight, U.S. Open — and then retire to go raise a family. They stick around and sell tickets. Race horses don't. A Man O'War, Secretariat, Native Dancer gets his name in lights — only to blink out at once. Native Dancer even made the cover of Time. But when they loaded 137 pounds (62 kilograms) on him, Alfred Gwynne Vanderbilt walked his horse off into the sunset.

But Allen Paulson is keeping Cigar on track. Sports needs stars.

Cigar vs. Citation is one of the great match races of thoroughbred history. Even though they're competing over the generations, the rivalry is genuine.

More than the purse will be at stake Saturday. History will be coming down the stretch.

Upcoming World Cup Is Good for Hockey, but Could Be Harmful to NHL Teams

By Jason Diamos
New York Times Service

NEW YORK — Ask Neil Smith, the National Hockey League executive, what he thinks about this month's inaugural World Cup in his sport, and he will tell you, "It's a positive thing for hockey."

Ask Smith, the New York Rangers' president, what he thinks the World Cup will mean for his team and he says, "We've got to hope it's a positive thing for us."

Smith, who was present at Madison Square Garden for a World Cup news conference Thursday, has no other choice. The Cup, which will be contested between select teams from Canada, the United States, Russia, Sweden, the Czech Republic, Slovakia, Finland and Germany, is basically an expanded reincarnation of the Canada Cup, which was last contested in 1991. That means it is an extremely prestigious tournament. That means the best players in the world will be playing.

And that means that the Rangers' best players will be playing. Namely a pair of 35-year-olds named Mark Messier and Wayne Gretzky. Who knows what kind of toll that will take on them during the NHL's 82-game season, which immediately follows.

"You're always thinking about that," Smith said. "It's a concern, but I don't think it's a worry. There's really nothing you can do about it."

Except hope your players come out of the competition healthy. Messier and Gretzky will be playing for Canada (Smith is the team's assistant general manager). Other Rangers such as Brian Leetch and Mike Richter are scheduled to play for Team USA. Aleksei Kovalev and Sergei Nemchinov are on the Russian roster. Niklas Sundstrom will represent the Rangers on the Swedish team. And Jari Kurri, a free agent who finished last season with the Rangers, is a member of the Finnish team.

"It will be our training camp for the most part," said Smith, who added that there had been no movement toward deals with either Kurri or Kevin Lowe.

The New Jersey Devils have seven players scheduled to compete: Billy Guerin and Shawn Chambers for Team USA; Scott Stevens, Scott Niedermayer and Martin Brodeur for Team Canada, and Bobby Holik and Petr Sykora for the Czech Republic. Lou Lamoriello, general manager for Team USA, said Thursday that he would name Brian Rolston as an alternate, just in case Jeremy Roenick — who is involved in contract negotiations with the Chicago Blackhawks as a restricted free agent — chose not to compete.

Ron Wilson of the Anaheim Mighty Ducks is the coach of the American team.

The New York Islanders also have several players in the tournament, though none are on Team USA or Team Canada. That could change if they signed Roenick.

The Islanders scheduled to play in the tournament are Zigmund Palffy for Slovakia (though Palffy, a restricted free agent, and the Islanders are nowhere near coming to terms); Darius Kasparaitis and Alexander Semak for Russia, and Andreas Johansson, Kenny Jonsson, Tommy Salo, Tommy Soderstrom and Niklas Andersson for Sweden.

There will be games in Madison Square Garden on Sept. 2, when Team USA plays host to the Russians, and on Sept. 3, when the Americans face off against Slovakia. Team USA will also meet Team Canada in the new CoreStates Spectrum in Philadelphia on Aug. 31. Philadelphia will be the site of a third-round game (Sept. 7) and the first game of the championship round (Sept. 10), before the final two games move to the Molson Center in Montreal.

The players don't seem concerned about the extra competition heading into the NHL season.

• One player present Thursday who will be competing for Team Canada no longer figures to become a Ranger despite summer-long trade rumors. That would be the Hartford Whalers' Brendan Shanahan, who was asked if it felt strange coming to Madison Square Garden to be part of a news conference that did not include his being introduced in a Rangers sweater. "I've thought about it," Shanahan said. "When they signed Wayne, I didn't know whether it meant they were no longer interested in me or if they were still interested. I've done my best to not worry about rumors.

"It always seems that you end up going to the place you least expect anyway. And I don't know 100 percent whether I will be traded. I do focus on the things I know. And I know I'll be playing in the World Cup."

He was, of course, referring to the Rangers' signing of Wayne Gretzky.

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SPORTS

Straw Restirs the Drink

Yankees' Slugger Clubs 2 More Homers

By Jack Curry
New York Times Service

NEW YORK — The 35,898 fans would not let Darryl Strawberry sit down in the dugout. Not until they spied his bald head or one of his beefy hands or something to prove that he knew that they knew his second homer was indeed special. Finally, after 30 long, loud seconds, Strawberry and his shiny head peered out of the dugout and he waved. Then he sat down.

So the Strawberry Slugging Show at Yankee Stadium continued Thursday, after Darryl drilled two more homers and one fly to the right-field fence to guide the Yankees to an 8-4 victory over the White Sox. The anticipation of Strawberry's second three-homer game in three days evaporated quickly because Strawberry asked to leave after six innings with painful shin splints.

BASEBALL ROUNDUP

But before Strawberry rested, he had provided more vivid snapshots of his lovely swing, his intimidating presence and his penchant for sending balls rocketing into orbit. Strawberry slammed five homers and knocked in eight runs in the three-game series with Chicago, and he now has six homers in his last 10 at-bats in the Bronx.

"They expect him to hit a home run every time up," said Joe Torre, the Yankees' manager. "I feel the same way." Cecil Fielder, who also knocked in two runs on Thursday, added: "I hope he keeps it up. We need it. Go ahead, show it off. We can talk about Straw all the way to October."

Because of Strawberry and Fielder, the Yankees might keep gazing into the sky to watch balls disappear into October. Five weeks ago, Strawberry was toiling in the minor leagues for the St. Paul Saints, while Fielder was languishing with the last-place Detroit Tigers.

White Sox pitcher Luis Andujar made his first mistake in the third. Already trailing 3-0 because of Fielder's sacrifice fly and Tino Martinez's two run-scoring hits, the 23-year-old rookie right-hander tried sneaking a first-pitch fastball by Strawberry. Instead, he watched it blast off into the fourth row of the right-field seats for a three-run homer. Strawberry's 352-foot (107-meter) shot made it 6-0.

Two innings later, after the White Sox had sliced the deficit to 6-3 off an ineffective David Weathers, Strawberry made another long-distance call. Left-handed rookie Mike Bertotti tossed a 1-0 fastball that Strawberry's looping swing smashed 417 feet into the fourth row of the upper deck. He is 4 for 21 with three homers against left-handed pitchers.

"I just want to be part of this team," Strawberry said. "I really like this team."

The Associated Press reported:

Twins 13, Angels 5 Rick Aguilera overcame a pair of home runs by Jim Edmonds to win his third straight decision, pitching Minnesota past frustrated California. The Angels have lost four in a row and nine of 10. They are 0-3 since John McNamara took over as interim manager following Marcel Lachemann's resignation.

Indians 2, Mariners 1 Chad Ogea allowed only an infield single in eight shutout innings, and Cleveland completed its first series sweep in Seattle since 1986.

Alex Rodriguez hit a one-out homer in the ninth, Seattle's second hit off Jose Mesa, who then struck out Jay Buhner and former teammate Paul Sorrento to seal the Indians' victory.

Blue Jays 9, Red Sox 6 Alex Gonzalez matched career highs with four hits and four RBIs, and Woody Williams won his first start of the year to lead Toronto past Boston. Gonzalez also made two errors at shortstop and got thrown out trying to stretch a single into a double.

Orioles 6, Brewers 4 Eddie Murray moved past Lou Gehrig into sole possession of 15th place on the career homer list as Baltimore completed a three-game sweep of Milwaukee.

Murray's 15th homer of the year and 494th of his career came off reliever Doug Jones in the sixth and put Baltimore ahead 6-2.

Athletics 2, Royals 1 Rookie Don Wengert won his first start since coming off the disabled list as Oakland ended a three-game losing streak with a victory over Kansas City.

Tigers 3, Rangers 2 Tony Clark hit an RBI single with one out in the bottom of the ninth inning to give Omar Olivares and Detroit a victory over Texas.

In National League games:

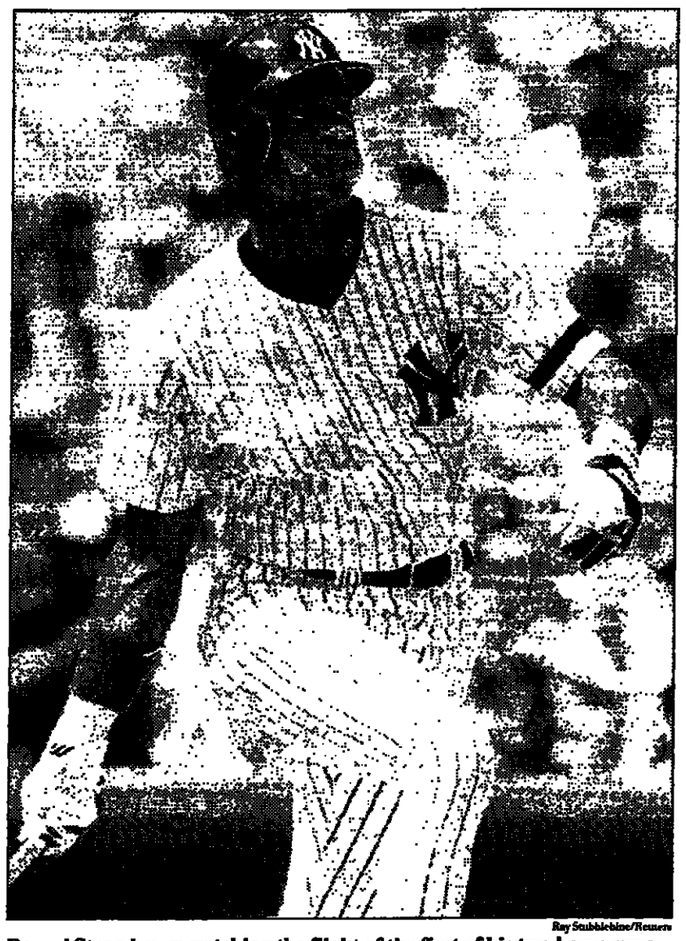
Phillies 4, Braves 1 Jim Eisenreich, who grounded into two double plays and struck out earlier, hit a two-run triple in the eighth inning off Greg Maddux that led Philadelphia over Atlanta.

Astros 6, Expos 2 Doug Drabek pitched a six-hitter for his first complete game in more than a year, and Derek Bell drove in two runs for Houston.

Mets 3, Marlins 0 Pete Harnisch pitched eight shutout innings, and Bernard Gilkey broke a scoreless tie in the eighth with his 26th homer to lead New York.

Padres 12, Pirates 3 Archi Cianfrocco drove in three runs and San Diego matched its season high with 19 hits. Cianfrocco, Brian Johnson and Ken Caminiti each had three hits as the Padres broke out of a slump in which they scored just 15 runs in their last seven games. Caminiti added his 22nd home run in support of Scott Sanders (5-4), who won for the fourth time in five starts.

Giants 5, Cardinals 3 Pinch-hitter Dave McCarty hit a two-run homer off Dennis Eckersley in the 10th inning, helping San Francisco stop its seven-game road losing streak. Jim Poole (1-0) pitched 1⅓ innings for his first NL win. Rod Beck earned his 22nd save.



Ray Stubblebine/Reuters

Darryl Strawberry watching the flight of the first of his two home runs.

Jets' Offense Fails Again

By Gerald Eskenazi
New York Times Service

PHILADELPHIA — However productive the New York Jets' offense will be this season, it will bear little resemblance to the attack of the first two exhibition games. Or else.

For the second straight game, the first-string offense generated only field goals as the Jets lost to the Eagles, 30-16, on Thursday night. The offense, with its banged-up tackles, and its No. 1 draft pick unavailable, had only five days, with two practices, after its opening-game loss to the Houston Oilers.

But the wraps did come off Neil O'Donnell at quarterback, and he put on a show, albeit a brief one. His backup, Frank Reich, making his summer debut as a Jet after a calf injury, was under pressure from the Eagles' defense,

NFL PRESEASON

which teed off as he attempted to play catch-up and barged in on him repeatedly. It took just a few seconds before one question was answered: Yes, fans, the Jets will throw this year.

O'Donnell, blessed with the protective return of his massive tackles, Jumbo Elliott and David Williams, and facing the Eagles' backup cornerbacks, came out winging. He connected on his first two passes but then was picked off by free safety Eric Zomalt. That hardly ever happens to O'Donnell, who, on average, gives up just two interceptions every hundred passes. But the Eagles converted that interception into a 39-yard field goal by Gary Anderson.

O'Donnell then led a pair of field-goal drives. Whipping the ball short and intermediate, he hit on five of six attempts, overthrowing only Fred Baxter in the end zone. Nick Lowery kicked a 21-yard field goal to tie the score.

On O'Donnell's next appearance, later in the quarter, he did not attempt a pass but got 25 rushing yards out of Adrian Murrell as the team moved close enough for a 33-yard Lowery boot and a 6-3 edge.

The Associated Press reported:

Cowboys 17, Oilers 16 The Dallas Cowboys got a true hero's welcome Thursday night at the Sun Bowl in El Paso, Texas, when they trotted onto the turf before beating the Houston Oilers.

The fact that the game was meaningless to both teams didn't matter one bit to the 51,118 in the stands, the first sellout crowd the Sun Bowl has ever seen.

The Cowboys, who have been decimated by injuries, used the game to get a good look at some of their backups. Sherman Williams, running with the first team while Emmitt Smith rested, rushed for 67 yards on eight first-half carries. He scored twice on runs of 1 and 5 yards.

Quarterback Wade Wilson went 4-for-6 for 86 yards after replacing Troy Aikman, who played only one drive. Aikman was 2-for-3 for 25 yards.

A 25-yard TD pass from Donald Hollas to Brashant Carter with 27 seconds remaining in the game made it close. But the Oilers failed to succeed on a 2-point conversion attempt.

Seahawks 24, Raiders 19 Rick Mirer threw a touchdown pass and Ronnie Harris scored on a punt return and a pass reception as Seattle held off Oakland, 24-19, to win the first NFL game in the newly renovated Oakland Coliseum.

The most penalized team in the AFC last season, the Raiders again ran afoul of officials, drawing 12 flags for 110 yards in losses. One penalty negated a touchdown pass by David Klingler and forced the Raiders to settle for one of two field goals.

Seattle (2-0) built a 21-0 lead in the first half, starting with Mirer's 14-yard touchdown pass to Mack Strong late in the first quarter. Mirer was sharp, completing 8-of-10 for 108 yards in 1½ quarters. Harris scored Seattle's second touchdown when he broke through Oakland's punt coverage. He started up the middle, dodged a couple of defenders at midfield and veered right, going the last 40 of his 78 yards unchallenged.

Bills 35, Vikings 12 Henry Bailey returned a kickoff 97 yards for a touchdown, scored on an 8-yard pass and returned a punt 32 yards to spark Buffalo to a 35-12 victory over Minnesota. Jim Kelly gave Buffalo a 7-0 lead on his only series with a 9-yard pass to Steve Tasker. Todd Collins shook off a bruised leg to make it 14-3 with a 7-yard TD pass to Demeris Johnson, who, like Bailey, is fighting for a role as a reserve receiver.

After Bailey's kick return gave Buffalo a 21-10 halftime lead, Alex Van Pelt scrambled to find Bailey for an 8-yard TD and a 28-10 lead early in the third quarter. "A lot of the young guys came up big, and we had a lot of turnovers and they were involved in that," said Bills coach Marv Levy. "I know it's preseason, but some things were good."

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE

EAST DIVISION

	W	L	Pct.	GB
New York	68	45	.602	—
Baltimore	59	54	.522	9
Boston	53	61	.465	15½
Toronto	53	62	.461	16
Detroit	40	74	.351	28½

CENTRAL DIVISION

Cleveland	70	45	.609	—
Chicago	63	52	.548	7
Minnesota	55	59	.482	14½
Milwaukee	55	60	.478	15
Kansas City	53	63	.457	17½

WEST DIVISION

Texas	63	52	.548	—
Seattle	60	53	.531	2
Oakland	57	59	.491	6½
California	52	62	.456	10½

NATIONAL LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Atlanta	70	43	.619	—
Montreal	63	50	.557	7
New York	55	61	.474	16½
Florida	52	63	.452	19
Philadelphia	48	67	.417	23

CENTRAL DIVISION

St. Louis	61	54	.530	—
Houston	61	54	.530	—
Cincinnati	55	55	.500	3½
Chicago	55	58	.487	5
Pittsburgh	51	64	.443	10

WEST DIVISION

San Diego	62	55	.530	—
Colorado	59	55	.518	1½
Los Angeles	59	55	.518	1½
San Francisco	48	65	.425	12

THURSDAY'S LINE SCORES

AMERICAN LEAGUE

Chicago	000 300 010—4	8	0
New York	204 010 01x—8	11	0

Andujar, Bertotti (4), Simas (8) and Karkovice; Weathers, Wickman (4), J. Nelson (6), Polley (7), M. Rivera (8) and Girardi. W—Wickman, 4-1. L—Andujar, 0-2. Sv—M. Rivera (3). HRs—Chicago, D.Lewis (4). New York, Strawberry 2 (3).

Toronto	400 040 001—9	17	2
Boston	200 003 010—6	10	0

W.Williams, Castillo (6), Crabtree (8), Timlin (9) and S.Martinez; Sele, Hudson (5), Grandi (9), Bellinda (9) and Stanley. W—W. Williams, 1-0. L—Sele, 5-9. Sv—Timlin (21). HR—Boston, Bragg (9), Stanley (20).

Baltimore	200 022 000—6	7	0
Milwaukee	000 020 002—4	13	0

Coppinger, R. McDowell (6), Orosco (7), Mills (8), R. Myers (9) and Devarez; D'Amico, D. Jones (6), Villone (9) and Levis. W—Coppinger, 7-3. L—D'Amico, 3-5. Sv—R. Myers (21). HRs—Baltimore, ByAnderson (25), Bonilla (16), Murray (15).

Oakland	000 002 000—2	4	0
Kansas City	000 001 000—1	5	1

Wengert, Groom (7), Corsi (8), Mohler (8), Taylor (9) and Steinbach; Linton, Jacome (9), Pichardo (9) and Macfarlane. W—Wengert, 6-7. L—Linton, 5-7. Sv—Taylor (14).

Minnesota	131 320 300—13	17	0
California	100 001 300—5	6	2

Aguilera, Parra (7), F. Rodriguez (9) and G. Myers; Bosiok, Grimsley (4), Holtz (7), Gohr (9) and Slaught. W—Aguilera, 5-4. L—Bosiok, 10-6. HRs—Minnesota, Molitor (8), Meares (6). California, Edmonds 2 (20), Howell (7).

Cleveland	000 100 100—2	5	2
Seattle	000 000 001—1	3	1

Ogea, Mesa (9) and S. Alomar; Mulholland, Carmona (9) and D.Wilson. W—Ogea, 6-3. L—Mulholland, 0-1. Sv—Mesa (28). HR—Seattle, A.Rodriguez (26).

Texas	110 000 000—2	9	0
Detroit	000 010 011—3	6	1

K.Gross, Heredia (8) and I. Rodriguez; Olivares and Parent. W—Olivares, 7-7. L—Heredia, 2-4. HR—Detroit, Cedeno (4).

NATIONAL LEAGUE

Montreal	000 000 011—2	6	0
Houston	111 111 00x—6	9	1

P.J.Martinez, Manuel (5), Dyer (6), Dool (7), D. Veres (8) and D.Fletcher, Spehr (7); Drabek and Eusebio. W—Drabek, 6-7. L—P. J.Martinez, 9-7. HR—Houston, Spiers (5).

New York	000 000 030—3	7	0
Florida	000 000 000—0	4	2

Harnisch, Franco (9) and Hundley; K.Brown, Powell (8), Batista (9) and Siddall, Natal (9). W—Harnisch, 8-7. L—K. Brown, 10-10. Sv—Franco (24). HRs—New York, Gilkey (26), Hundley (25).

Philadelphia	010 000 021—4	12	0
Atlanta	001 000 000—1	4	1

Beech, K. Ryan (8), Bottalico (9) and Santiago; G.Maddux, McMichael (9) and Ed.Perez. W—Beech, 1-0. L—G. Maddux, 10-10. Sv—Bottalico (23). HR—Philadelphia, Santiago (21).

San Diego	021 122 013—12	19	0
Pittsburgh	010 100 100—3	6	1

S.Sanders, Veres (8), Bergman (9) and B. Johnson; Peters, Morel (5), Wainhouse (6), Ruebel (8) and Kendall. W—S. Sanders, 5-4. L—Peters, 0-2. HRs—San Diego, Caminiti (22), Pittsburgh, D. Clark (6).

(18 innings)

San Francisco	000 001 020 2—5	12	0
St. Louis	000 100 020 0—3	9	1

Estes, Scott (8), Poole (8), Beck (10) and Lampkin, R. Wilkins (10); Al.Benes, Petkovsek (8), Fossas (8), T. J.Mathews (8), Honeycutt (9), Eckersley (10) and Pagnozzi. W—Poole, 1-0. L—Honeycutt, 2-1. Sv—Beck (22). HRs—San Francisco, McCarty (6). St. Louis, Gant (22).

JAPANESE LEAGUES

CENTRAL LEAGUE

	W	L	T	Pct	GB
Hiroshima	52	38	0	.578	—
Chunichi	49	41	0	.544	3
Yomiuri	50	42	0	.543	3
Yakult	47	44	0	.516	5½
Yokohama	39	53	0	.424	14
Hanshin	37	56	0	.398	16½

FRIDAY'S RESULTS

Yakult 7, Hiroshima 6
Yomiuri 4, Chunichi 2
Hanshin 14, Yokohama 3

PACIFIC LEAGUE

	W	L	T	Pct	GB
Nippon Ham	55	39	2	.585	—
Orix	47	40	4	.540	4½
Lotte	43	46	2	.483	9½
Kintetsu	42	46	1	.477	10
Daiei	42	50	1	.457	12½
Seibu	40	48	4	.455	12½

FRIDAY'S RESULTS

Daiei 6, Seibu 5
Kintetsu 10, Lotte 3

FOOTBALL

NFL STANDINGS

AMERICAN CONFERENCE

EAST

	W	L	T	Pct.	PF	PA
Miami	1	0	0	1.000	13	10
Buffalo	1	1	0	.500	42	29
Indianapolis	1	1	0	.500	35	31
New England	0	1	0	.000	7	24
N.Y. Jets	0	2	0	.000	29	61

CENTRAL

Baltimore	1	0	0	1.000	17	9
Cincinnati	1	0	0	1.000	28	25
Houston	1	0	0	1.000	31	13
Pittsburgh	1	1	0	.500	26	30
Jacksonville	0	1	0	.000	17	24

WEST

Seattle	2	0	0	1.000	43	36
Denver	1	0	0	1.000	20	17
Kansas City	1	0	0	1.000	32	6
San Diego	1	1	0	.500	40	33
Oakland	1	2	0	.333	79	62

NATIONAL CONFERENCE

EAST

	W	L	T	Pct.	PF	PA
N.Y. Giants	1	0	0	1.000	24	17
Washington	1	0	0	1.000	17	7
Dallas	1	1	0	.500	41	66
Philadelphia	1	1	0	.500	39	33
Arizona	0	1	0	.000	3	26

CENTRAL

Green Bay	1	0	0	1.000	24	7
Minnesota	1	1	0	.500	35	55
Chicago	0	1	0	.000	12	30
Detroit	0	1	0	.000	22	23
Tampa Bay	0	1	0	.000	10	13

WEST

Carolina	1	0	0	1.000	30	12
New Orleans	1	1	0	.500	26	32
Atlanta	0	1	0	.000	17	19
St. Louis	0	1	0	.000	10	16
San Francisco	0	1	0	.000	17	20

THURSDAY'S RESULTS

Philadelphia 30, New York Jets 16
Seattle 24, Oakland 19
Buffalo 35, Minnesota 12

CFL STANDINGS

EASTERN DIVISION

	W	L	T	PF	PA	Pts.
Toronto	6	1	0	236	148	12
Hamilton	4	3	0	197	206	8
Montreal	3	4	0	199	201	6
Ottawa	1	5	0	93	193	2

WESTERN DIVISION

Calgary	5	1	0	248	118	10
Edmonton	4	3	0	169	125	8
Winnipeg	3	3	0	126	184	6
Saskatchewan	2	4	0	120	176	4
British Columbia	1	5	0	145	182	2

THURSDAY'S RESULT

Toronto 24, Edmonton 21

CRICKET

SECOND TEST

ENGLAND VS. PAKISTAN, 2D DAY
FRIDAY, IN HEADINGLEY, LEEDS

Pakistan 1st innings: 448 (Main Khan 105).
England 1st innings: 104-1 (Stewart 52 n.o.).

GOLF

PGA CHAMPIONSHIP

Leading scores after the rain delayed 1st round of the 78th PGA Championship, played Friday on the 7,144-yard, par 36-36—72 Valhalla Golf Club course in Louisville, Kentucky:

Kenny Perry	31-35—66
Steve Elkington	34-33—67
Phil Mickelson	32-35—67
Lee Janzen	37-31—68
Mark Brooks	34-32—68
Nick Price	35-33—68
Russ Cochran	32-36—68
Joel Edwards	34-34—68
Greg Norman	37-31—68
Ian Woosnam	33-35—68

SOCCER

EUROPEAN CUP WINNERS CUP

QUALIFYING ROUND

Chelm. Humenne (Slo) 1, Flamurtari (Alb) 0
FC Constructorul (Mol) 1, Hl Rishon (Isr) 0
Dyn. Batumi (Geo) 6, H. Beltelag (Far) 0
Sparta Prague (Cze) 2, Glentoran (Ire) 1
MyPa 47 (Fin) 1, Karabakh Agdam (Aze) 0
K. Horned (Hun) 1, S. J ugomagnat (Mac) 0
K. Abovian (Arm) 1, AEK Larnaca (Cyp) 0
Llansantffraid (Wal) 1, R. Chorzow (Pol) 1
MPCC Mozyr (Bel) 2, FC Reykjavik (Ice) 2
Olimpija (Slovenia) 1, Levski Sofia (Bul) 0
Red Star (Yug) 0, Hearts of Mid. (Sco) 0
Sadam Tallinn (Est) 2, Nlva Vinnitsa (Ukr) 1
FK Brann (Nor) 3, Shelbourne (Ire) 1
Sion (Swi) 4, Kareda Siauliai (Lit) 2
FC Universitate (Lat) 1, Vaduz (Liech) 1
Gloria Bistrita (Rom) 2, Vallefo (Mal) 1
FC Varteks (Cro) 2, US Luxembourg (Lux) 1

ASIAN CUP

QUALIFYING ROUND

South Korea 4, Taiwan 0

MAJOR LEAGUE SOCCER

Los Angeles 1, New England 0

STANDINGS: Eastern Conference—Tampa Bay 39 points; D.C. 28; NY-NJ 24; New England 21; Columbus 15. Western Conference—Los Angeles 39 points; Kansas City 35; Dallas 34; San Jose 28; Colorado 28.

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

BALTIMORE—Claimed LHP Mike Milchin off waivers from Minnesota Twins.

CALIFORNIA—Signed RHP Danny Greene and assigned him to Boise, NL.

MINNESOTA—Signed OF Chad Allen to 1-year contract and assigned him to Fort Wayne, ML.

SEATTLE—Recalled INF Andy Sheets from Tacoma, PCL. Optioned OF Raul Ibanez to Tacoma.

IHT Puts Baseball Stats on the Internet

All the box scores and the 1996 schedule on the IHT web site:
http://www.ibt.com/IHT/SPORTS/bbl.html

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DENNIS THE MENACE

"MAYBE IT WOULD BE EASIER IF WE JUST ATE THE WORMS."

JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

RUGPO
ORRIP
NEEBOG
RETIEN

WATCHING ARM WRESTLERS CAN BE THIS.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here:

(Answers Monday)

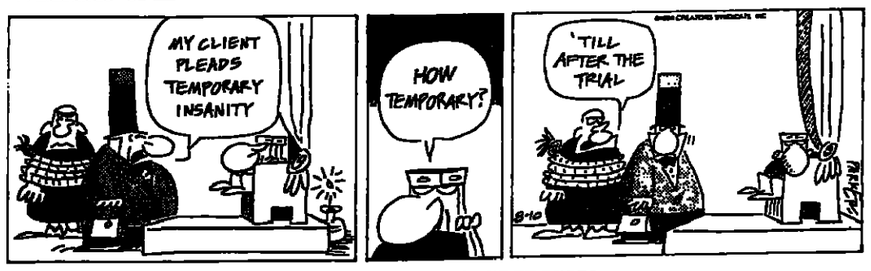
Yesterday's Jumbles: BUNNY AUGUR METRIC HAGGLE
Answer: When did the astronauts eat their meal? — AT LAUNCH TIME

PEANUTS

CALVIN AND HOBBES

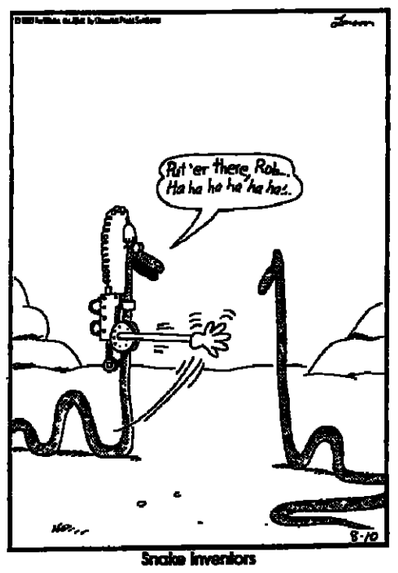
GARFIELD

WIZARD of ID



BEETLE BAILEY

THE FAR SIDE



Snake inventors

DOONESBURY

BLONDIE

DAVE BARRY

The Power to Embarrass

MIAMI — A while ago, The New York Times printed an item about an 11-year-old girl who was overheard on the streets of East Hampton, New York, telling her father, "Daddy, Daddy, please don't sing!"

The daddy was Billy Joel.

The irony, of course, is that a lot of people would pay BIG money to hear Billy Joel sing. But of course these people are not Billy Joel's adolescent offspring. To his adolescent offspring, Billy Joel apparently represents the same thing that all parents represent to their adolescent offspring: Bozo-Rama. To an adolescent, there is nothing in the world more embarrassing than a parent. When I was an adolescent, my dad wore one of those Russian-style hats that were semi-popular with middle-aged guys for a while in the early '60s. You may remember this hat: It was shaped kind of like those paper hats that some fast-food workers have to wear, only it was covered with fur. Nobody could wear this hat and not look like a complete dork.

So naturally my dad wore one. My dad was the smartest, most decent, most perceptive person I've ever known, but he was a card-carrying member of the Fashion Club for Men Who Wear Bermuda Shorts With the Waist Up Around Their Armpits, Not to Mention Sandals With Dark Socks.

□

My dad liked his Russian hat because he was bald and it kept him warm; he did not care what it looked like. But I cared DEEPLY. I especially cared when I was waiting for my dad to pick me up outside Harold C. Crittenden Junior High School after canteen. Canteen was designed to give us youths something to do on Friday nights other than vandalize mailboxes: the boys would go to the gym to play basketball, while the girls went to the cafeteria to play "Please Mr. Postman" 700 consecutive times on the record player and dance The Slop with each other. Eventually the boys would wander in and the girls would put on slow, romantic songs, and the boys, feeling the first stirrings of what would one day grow and blossom into mature love, would pour soft drinks down each other's pants.

After canteen we'd stand outside the school waiting for our parents to pick us up; when my dad pulled up, wearing his poodle hat I was horrified; it never occurred to me that my peers didn't notice my dad, because they were too busy being mortified by THEIR parents.

□

Of course eventually my father stopped being a hideous embarrassment to me, and I, grasping the Torch of Dorkhood, became a hideous embarrassment to my son — especially when, like Billy Joel, I try to sing. (I don't mean that I try to sing like Billy Joel; I try to sing more like Aretha Franklin.) If you want to see a spectacular violation of the known laws of physics, watch what my son does if we are in a public place and for some reason I need to burst into the opening notes of "Respect" ("WHAT you want! Baby I got it!"). When this happens, my son's body will instantaneously disappear into another dimension and rematerialize as far as two football fields away.

Yes, parents: In the ongoing battle between you and your adolescent children, you possess the ultimate weapon — The Power to Embarrass. Use this power, parents! If your adolescent children are in ANY way displeasing you — if they are mouthing off or engaging in unacceptable behavior — do not waste your breath nagging them. Instead, simply do what Billy Joel and I do: Sing. In fact, I think our judicial system should use this power to punish teenage criminal defendants:

Judge: Young man, this is your third offense. I'm afraid I'm going to have to give you the maximum sentence.

Youthful Defendant: No! Not . . .

Judge: Yes. I'm going to ask your mom to get up here on the court karaoke machine and sing "Copacabana."

Youthful Defendant: NO! SEND ME TO PRISON! PLEASE!!

Yes, if we were to impose this kind of justice, we'd see a dramatic drop in adolescent crime. Just thinking about it makes me want to sing a joyful song. Come on! Everybody join in!

"Havin' my BABY! What a lovely way of saying how much . . ."

Hey! Where'd everybody go?

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So Why Did Dracula Go to England?

International Herald Tribune

Ronald Searle

MARY BLUME

PARIS — It is always the same summer dream: that we will return from our holidays slimmer, fitter and if not better, holidays having little to do with morals, at least better read. Each year it is the same ritual: packing the heavy classics one always meant to read and the thrillers whose pages will soon be impacted with sun cream anyway.

This year's beach bags can be lightened by holding only one paperback combining culture and suspense, John Sutherland's "Is Heathcliff a Murderer?" which is a series of short pieces on unsolved mysteries in classic novels. Did Becky kill Jos in "Vanity Fair?" asks Sutherland. Did Alec rape Tess of the d'Urbervilles? And how much English blood (if any) does Waverley spill?

Inspired by his work for the World's Classics reprints, published, like this book, by the Oxford University press, Sutherland suggests that most readers are probably more interested in such niggling mysteries than in deconstruction or the distinction between extradiegesis and intradiegesis, a safe bet for the beach and undoubtedly for the living room as well.

He takes as his epigraph Charlotte Brontë's reply to two ladies who had inquired about the fate of Paul Emanuel in "Villette": "Since the little puzzle amuses the ladies, it would be a pity to spoil their sport by giving them the key."

Well, says Sutherland, Paul Emanuel drowned at sea and that's that. Any ambiguity can be attributed to reader pressure for happy endings (Dickens and Thackeray were going through the same thing at the same time).

Brontë was further pressed by her father who didn't think novels should leave the reader melancholy. So, accord Gaskell, the author veiled Paul's "fate in oracular words, as to leave it to the character and discernment of her readers to interpret her meaning."

And is Heathcliff a murderer? Emily Brontë's uncouth but essentially humane stable lad certainly returns to Wuthering Heights from his mysterious three-year exile as a gentleman psychopath who beats his wife, strangles her dog and desecrates graves. For him to have murdered Hindley Earnshaw would not at this point be out of character and Sutherland thinks he probably did. But, he adds, an unprejudiced jury would find sufficient reasonable doubt to acquit him.

On a lighter level, Sutherland asks where exactly is Tenway Junction in Trollope's "The Way We Live Now" and how old is Kim, confusingly answering that for Kipling he was 6, 13, or on the verge of manhood: "It depends on the angle," he smoothly concludes.

What does Edward Hyde look like? Not hairy, as Hollywood usually has it, or coarse (after all, he has a bank account at Coutts); small, younger than Jekyll who is 50, and unspecifically but distinctly creepy.

And how, talking of monsters, did Frankenstein make his?

Mary Shelley neglected to give the recipe, although some of the material may have come from dissecting rooms and slaughter houses. The problem, says Sutherland, is that modern readers expect a scientific explanation and, according the OED, the word "scientist" was not even coined until 184[illegible]

Other mysteries that Sutherland takes on: Why does Dra[illegible] go to England rather than to Ger[illegible]many, which was closer? Why doesn't the Invisible Man make himself an invisible suit? Is Will Ladislaw in "Middlemarch" legitimate?

Why does Jane Austen in "Emma" have apple trees blossom in June?

Except for asking why Isabel Archer returns to Osmond in Henry James's "Portrait of a Lady," Sutherland confines himself to puzzles in 19th-century English fiction. He does admit to wondering how many children Lady Macbeth had, and by its existence his book opens the way to speculation in other literatures.

Why, for example, did Melville call his book "The Confidence Man" in the singular when almost all the characters seem to be conning each other, and why does the redoutable Daisy Ashford call her novel "The Young Visitors" in the plural when in the first line Mr. Salteena, is described as "an elderly man of 42?"

From what presumably sordid sources does the wealth Balzac's characters come? Why what has been called the ultimate motivated action, did Stendhal have Fabrice kill Madame de Rénal? Do we understand the spontaneous combustion in "Bleak House" and what is Jarndyce and Jarndyce really about?

The classics stand even with their mysteries unsolved. It was Vladimir Nabokov, a respected entomologist as well as an author, who really put the knife into Kafka's "Metamorphosis" when he pointed out that, given the description of the transformed Gregor Samsa, he could easily have flown out of the room, and the book.

WEATHER

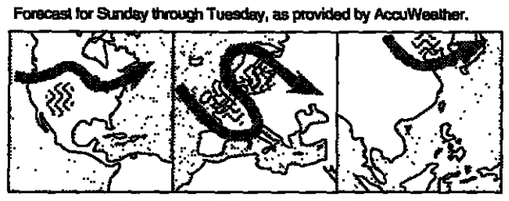
Europe

	Today High C/F	Today Low C/F	Tomorrow High C/F	Tomorrow Low C/F
Algarve	30/86	18/64 s	28/82	18/64 s
Amsterdam	27/80	19/66 c	23/77	16/64 r
Ankara	27/80	11/52 pc	27/80	9/48 pc
Athens	33/91	23/73 pc	29/84	21/70 pc
Barcelona	25/77	19/66 s	27/80	19/66 s
Belgrade	28/82	13/55 pc	28/82	14/57 pc
Berlin	27/80	17/62 pc	28/82	18/64 pc
Brussels	28/82	18/64 c	27/80	17/62 t
Budapest	27/80	14/57 s	28/82	18/61 pc
Copenhagen	23/73	14/57 c	25/77	17/62 c
Costa Del Sol	32/89	20/68 s	31/88	21/70 s
Dublin	18/64	16/61 r	19/66	11/52 r
Edinburgh	20/68	13/55 c	19/66	12/53 t
Florence	28/82	15/59 pc	29/84	16/61 pc
Frankfurt	27/80	15/59 pc	28/82	17/62 pc
Geneva	29/84	16/61 pc	31/88	14/57 pc
Helsinki	23/73	12/53 s	24/75	12/53 s
Istanbul	28/82	18/64 pc	28/79	18/61 pc
Las Palmas	26/79	19/66 s	26/79	20/68 s
Lisbon	26/79	15/61 s	24/75	17/62 pc
London	21/70	17/62 sh	21/70	14/57 sh
Madrid	37/98	18/61 s	35/95	18/61 s
Mallorca	33/73	19/66 s	28/79	19/66 s
Milan	27/80	18/64 t	29/84	18/64 c
Moscow	18/64	7/44 pc	20/68	10/50 s
Munich	26/79	14/57 s	27/80	13/55 pc
Nice	25/77	21/70 r	26/79	19/66 pc
Oslo	19/66	13/55 t	22/71	14/57 c
Paris	25/77	17/62 c	27/80	15/59 c
Prague	28/82	12/53 pc	29/84	15/59 pc
Reykjavik	17/62	12/53 c	19/66	12/53 c
Rome	28/82	18/64 c	27/80	18/64 pc
St. Petersburg	22/71	13/55 s	23/73	14/57 pc
Stockholm	21/70	13/55 pc	22/71	13/55 pc
Strasbourg	31/88	19/66 s	32/89	18/64 c
Tallinn	24/75	12/53 s	23/73	13/55 s
Vienna	26/79	17/62 pc	27/80	18/64 pc
Vienna	27/80	15/59 s	28/82	16/61 pc
Warsaw	24/75	12/53 s	26/79	13/55 s
Zurich	27/80	17/62 pc	28/82	16/61 pc

Oceania

Auckland	12/53	8/46 r	13/55	6/43 pc
Sydney	16/61	7/44 pc	17/62	9/48 pc

Forecast for Sunday through Tuesday, as provided by AccuWeather.



Jetstream — Unseasonably Cold — Unseasonably Hot — Heavy Rain — Heavy Snow

North America New York City and much of the Northeast will be comfortable with sunshine, while gusty thunderstorms will rumble from the northern Plains Sunday into the Great Lakes Monday. Hot, dry weather with scorching sun will continue across the Rockies and Southwest into the southern Plains.

Europe Mostly cloudy and cool in London, Paris and Amsterdam with showers and even a stray thunderstorm. Berlin will turn cooler with a shower and thunderstorm possible Sunday, then a better chance of showers Monday and Tuesday. Mostly sunny and warm in Rome and Athens.

Asia Beijing will be cool with a shower and thunderstorm at times, while Hong Kong and Singapore will be typically hot and steamy with a stray thunderstorm each day. Typhoon Kirk may bring heavy rains to southern Japan or South Korea Monday or Tuesday; otherwise, humid with a thunderstorm possible.

Middle East

	Today High C/F	Today Low C/F	Tomorrow High C/F	Tomorrow Low C/F
Abu Dhabi	41/106	28/82 s	41/106	29/84 s
Beirut	29/84	22/71 s	29/84	22/71 s
Cairo	37/98	23/71 s	37/98	22/71 s
Damascus	33/91	18/61 s	34/93	17/62 s
Jerusalem	30/86	16/61 s	30/86	16/61 s
Luxor	43/109	22/71 s	44/111	23/73 s
Riyadh	43/109	27/80 s	43/109	28/82 s

Africa

	Today High C/F	Today Low C/F	Tomorrow High C/F	Tomorrow Low C/F
Algiers	31/88	18/64 s	35/95	22/71 s
Cape Town	20/68	6/43 pc	14/57	2/35 pc
Casablanca	26/82	20/68 s	27/80	19/66 s
Harare	25/77	15/61 c	24/75	14/57 s
Lagos	28/82	22/71 pc	27/80	22/71 t
Nairobi	24/75	9/48 s	25/77	11/52 s
Tunis	32/89	17/62 s	32/89	19/66 s

Asia

	Today High C/F	Today Low C/F	Tomorrow High C/F	Tomorrow Low C/F
Bangkok	32/89	24/75 t	31/88	24/75 sh
Beijing	31/88	23/73 t	30/86	23/73 t
Hong Kong	32/89	28/79 pc	31/88	28/79 c
Manila	31/88	23/73 c	31/88	23/73 c
New Delhi	40/104	29/84 pc	38/102	27/80 pc
Seoul	32/89	22/71 pc	29/84	21/70 t
Shanghai	34/93	28/79 pc	32/89	25/77 pc
Singapore	29/84	23/73 t	31/88	23/73 t
Taipei	32/89	25/77 t	33/91	25/77 c
Tokyo	29/84	20/68 pc	29/84	22/71 c

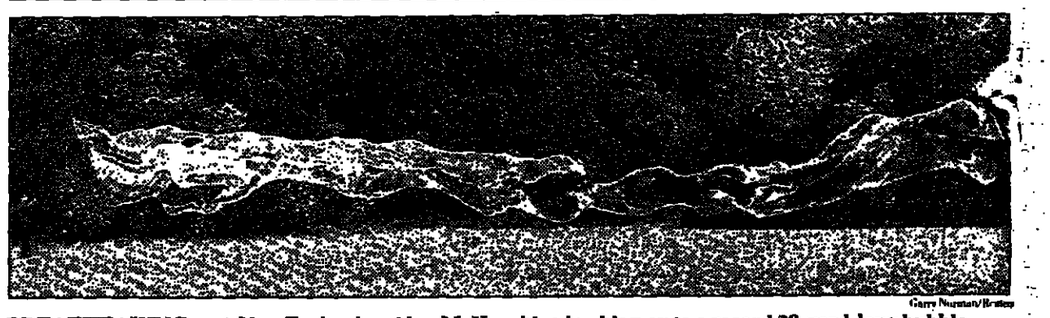
Latin America

Buenos Aires	16/61	3/37 s	17/62	4/39 s
Caracas	31/88	24/75 c	32/89	24/75 pc
Lima	21/70	16/61 pc	20/68	16/61 pc
Mexico City	24/75	13/55 c	26/79	14/57 pc
Rio de Janeiro	27/80	19/66 s	26/79	17/62 r
Santiago	14/57	-1/31 s	14/57	2/35 s

North America

Anchorage	16/61	11/52 r	15/61	9/48 r	
Atlanta	31/88	21/70 t	30/86	20/68 pc	
Boston	30/86	19/66 pc	23/73	16/61 pc	
Chicago	26/79	13/55 s	24/75	15/59 pc	
Dallas	34/93	23/73 pc	34/93	22/71 pc	
Denver	30/86	14/57 pc	33/91	16/61 s	
Detroit	27/80	13/55 s	23/73	13/55 pc	
Honolulu	31/88	23/73 s	32/89	24/75 pc	
Houston	34/93	23/73 pc	33/91	23/73 pc	
Los Angeles	32/89	20/68 pc	33/91	21/70 pc	
Miami	33/91	24/75 pc	33/91	25/77 pc	
Minneapolis	25/77	14/57 s	27/80	18/64 pc	
Montreal	25/77	14/57 pc	22/73	11/52 pc	
Nassau	32/89	26/79 pc	32/89	24/75 t	
New York	29/84	20/68 pc	27/80	18/64 pc	
Phoenix	39/102	28/82 pc	41/106	29/84 pc	
San Fran.	24/75	16/61 s	26/79	15/59 pc	
Seattle	30/86	14/57 s	27/80	14/57 pc	
Toronto	25/77	14/57 pc	22/71	13/55 pc	
Vancouver	26/82	17/62 s	27/80	17/62 pc	
Washington	30/86	20/68 pc	28/82	19/66 pc	

PEOPLE



Garry Nuerman/Reuters

BREATHTAKING — A New Zealander, Alan McKay, blowing his way to a record 38-yard-long bubble.

ACTRESS Claudette Colbert left most of her $3.5 million estate to a longtime friend who helped care for her after she suffered a debilitating stroke in 1993. **Helen O'Hagan**, a retired executive at Saks Fifth Avenue, was a Manhattan neighbor of the actress, who died last week at 92. Colbert's nine-page will left $400,000 to 14 recipients, and the rest of her estate, including her homes in New York and Barbados, to O'Hagan. Colbert also left money to several household employees, $150,000 to a niece, and $10,000 to each of three sons of the former president of Random House publishers, **Robert Bernstein**, a friend of hers. The sons were left explicit instructions to "spend the money foolishly." Colbert won an Oscar for the 1934 romantic movie comedy classic, "It Happened One Night." She was widowed in 1968 and had no children.

□

Neither Pepsi nor the 21-year-old business student who is suing the soft-drink maker for a Harrier jump jet like the one pictured in a Pepsi ad will be able to get one, **Kenneth Bacon**, the Pentagon's spokesman, says. Any U.S. military aircraft must be "demilitarized" before it can be sold to a member of the public, Bacon said, and that means it would be stripped of its armament and rendered unable to fly. Referring to an attempt by **John Leonard** to obtain a Harrier through a Pepsi promotional offer, Bacon said, "So even if the lad were able to get a plane from Pepsi, it would not be one he could fly." Leonard is demanding in a lawsuit that PepsiCo Inc. give him a Harrier fighter jet like the one pictured in a Pepsi Stuff TV commercial. The Pepsi promotion allowed customers who had racked up points on beverage containers to claim prizes. As a joke, the company also "offered" the fighter jet for 7 million points. Leonard delivered 15 original Pepsi points and rounded up investors to pay $700,008.50 for the remaining points. A Pepsi spokesman, **John Harris**, said the spot "was a spoof" and the plane was computer-generated.

□

The ashes of the writer **André Malraux**, long-serving culture minister under **General Charles de Gaulle**, are to be buried in the Paris Panthéon, last resting place of France's illustrious dead, the Official Journal said Friday. It published a decree from **President Jacques Chirac** ordering the transfer of the remains of Malraux, a symbol of Gaullism, to the domed mausoleum in the heart of the Latin Quarter. A spokesman for the Culture Ministry said the ceremony would take place on Nov. 23, the 20th anniversary of the writer's death. Malraux will join such giants of French culture as **Voltaire, Rousseau** and **Victor Hugo**. As culture minister from 1959 to 1969, he is remembered for his fiery oratory and for cleaning up grimy Paris landmarks.

□

Lawyers for **Queen Elizabeth** have stepped into a legal battle between **Frederick** and **David Barclay**, British millionaire twins, and the feudal ruler of the Channel Island of Sark. The queen wants to become a co-defendant with **Seigneur Michael Beaumont** in a case in which the Barclays are seeking independence from Sark for their neighboring island of Brecqhou. The twins, owners of The European newspaper and London's Ritz Hotel, bought Brecqhou three years ago. It is considered part of Sark and its 500 residents are required to pay an annual levy to Beaumont, the queen's representative. The Barclays want a court on neighboring Guernsey to rule whether Brecqhou belongs to Sark and whether they are obliged to comply with the feudal laws.

□

The son of former Prime Minister **Pierre Trudeau** has been ordered to undergo corrective training by the Canadian Army for going absent without leave. **Sacha Trudeau**, a second lieutenant attached to the Royal Canadian Hussars in Montreal, was on leave from a training program when the incident occurred. "He was found to be out of the geographic area without the proper leave pass, which is technically AWOL," said a spokesman.

□

A month after firing their drummer and losing their backup keyboardist to a drug overdose, the **Smashing Pumpkins** are taking another break from a world tour. The alternative rock group is postponing concerts for two weeks in August, saying more rehearsal is needed. The group will miss scheduled concerts in Inglewood, Anaheim and San Diego resuming its tour Aug. 27 in Las Vegas. **Matt Walker**, formerly the drummer for Filter, will replace **Jimmy Chamberlain**, to replace **Jonathan Melvoin**.

LEISURE DESTINATIONS

All forecasts and data provided by AccuWeather, Inc. © 1996

SATURDAY

Europe and Middle East

Location	Weather	High Temp. C/F	Low Temp. C/F	Water Temp. C/F	Wave Heights (Metres)		Wind Speed (kph)	
Cannes	showers	27/80	19/66	21/70	1-2	NE	10-20	
Deauville	sunny	23/73	14/57	16/61	1-2	N	10-20	
Rimini	partly sunny	30/86	19/66	24/75	0-1	SE	10-20	
Malaga	partly sunny	32/89	21/70	23/73	0-1	SE	10-20	
Cagliari	partly sunny	32/89	21/70	23/73	0-1	S	10-20	
Faro	partly sunny	28/82	19/66	21/70	1-2	NW	15-30	
Piraeus	sunny	32/89	22/71	24/75	0-1	W	12-25	
Corfu	sunny	32/89	19/66	24/75	0-1	NW	10-20	
Brighton	sunny	22/71	13/55	16/61	0-1	NW	15-25	
Ostend	partly sunny	21/70	10/50	16/61	0-1	NW	10-20	
Scheveningen	partly sunny	21/70	10/50	16/61	0-1	NW	12-25	
Syit	partly sunny	22/71	11/52	15/59	1-2	W	15-30	
Izmir	sunny	32/89	22/71	24/75	0-1	NW	15-30	
Tel Aviv	*sunny*	*31/88*	*23/73*	*27/80*	*0-1*	SW	*10-20*	
Caribbean and West Atlantic								
Barbados	partly sunny	31/88	23/73	29/84	1-2	SE	15-30	
Kingston	*thunderstorms*	33/91	26/79	30/86	1-2	SE	15-30	
St.Thomas	partly sunny	33/91	25/77	30/86	1-2	SE	18-35	
Hamilton	partly sunny	31/88	27/80	27/80	1-2	SW	15-30	
Asia/Pacific								
Penang	partly sunny	33/91	25/77	32/89	0-1	SW	8-15	
Phuket	partly sunny	33/91	26/79	31/88	0-1	SW	12-22	
Bali	partly sunny	30/86	24/75	29/84	1-2	E	15-25	
Cebu	showers	32/89	25/77	29/84	1-2	E	18-35	
Palm Beach, Aus.	partly sunny	21/70	9/48	20/68	1-2	W	15-30	
Bay of Islands, NZ	partly sunny	18/64	12/53	15/59	1-2	SW	12-25	
Shiraharna	partly sunny	31/88	24/75	28/82	1-2	S	15-30	
Honolulu	partly sunny	32/89	24/75	28/82	1-2	NE	20-30	

SUNDAY

Europe and Middle East

Location	Weather	High Temp. C/F	Low Temp. C/F	Water Temp. C/F	Wave Heights (Metres)		Wind Speed (kph)	
Cannes	partly sunny	26/79	18/64	22/71	1-2	E	12-25	
Deauville	partly sunny	22/71	14/57	16/61	0-1	E	10-20	
Rimini	thunderstorms	27/80	18/64	24/75	0-1	SE	10-20	
Malaga	sunny	32/89	21/70	23/73	0-1	SE	10-18	
Cagliari	thunderstorms	31/88	22/71	23/73	0-1	S	12-25	
Faro	sunny	29/84	19/66	21/70	1-2	NW	15-30	
Piraeus	sunny	33/91	23/73	24/75	0-1	NW	15-25	
Corfu	sunny	32/89	19/66	24/75	0-1	NW	10-20	
Brighton	partly sunny	21/70	12/53	16/61	0-1	SE	12-25	
Ostend	partly sunny	19/66	11/52	16/61	0-1	E	12-22	
Scheveningen	partly sunny	20/68	11/52	16/61	0-1	E	10-20	
Syit	partly sunny	19/66	11/52	15/59	0-1	W	12-25	
Izmir	sunny	33/91	22/71	24/75	0-1	NW	15-25	
Tel Aviv	*sunny*	*30/86*	*23/73*	*27/80*	*0-1*	SW	*10-20*	
Caribbean and West Atlantic								
Barbados	showers	30/86	24/75	29/84	1-2	SE	12-25	
Kingston	showers	33/91	26/79	30/86	1-2	SE	15-30	
St.Thomas	showers	31/88	26/79	30/86	1-2	SE	18-35	
Hamilton	partly sunny	32/89	27/80	27/80	1-2	SW	15-30	
Asia/Pacific								
Penang	showers	32/89	26/79	32/89	0-1	SW	10-20	
Phuket	thunderstorms	33/91	27/80	31/88	1-2	S	15-25	
Bali	partly sunny	31/88	24/75	29/84	1-2	NE	15-30	
Cebu	thunderstorms	32/89	25/77	29/84	1-2	NE	12-25	
Palm Beach, Aus.	sunny	19/66	10/50	20/68	1-2	NW	15-30	
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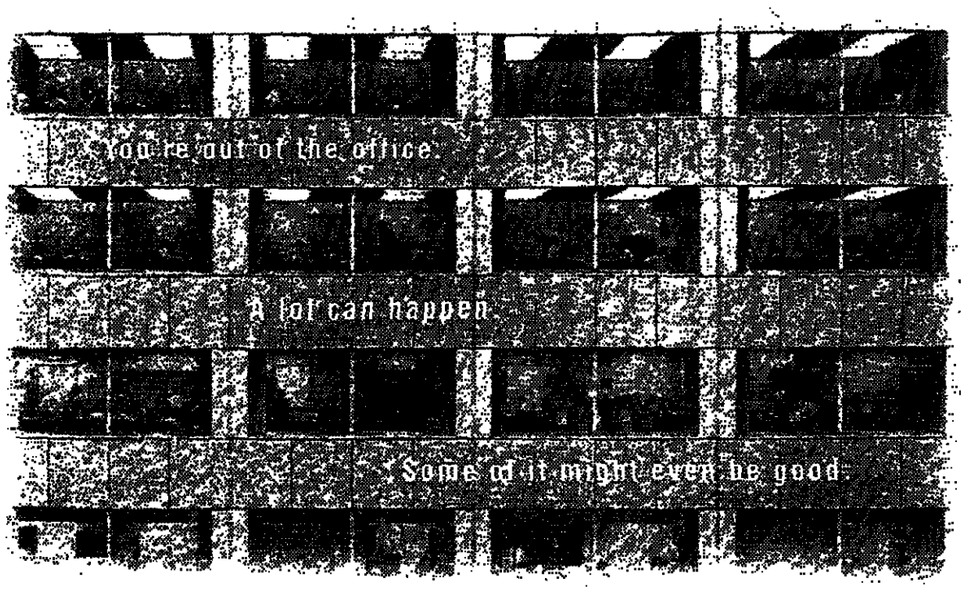
Honolulu	sunny	32/89	24/75	28/82	1-2	NE	20-35	



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Armenia●▲	8◆14111
Austria●○	022-903-011
Belgium●	0-800-100-10
Bosnia▲	00-800-0010
Bulgaria✖	00-800-0010
Croatia✖	99-385-0111
Czech Republic●	00-42-000-101
Denmark	8001-0010
Finland●	9800-100-10
France	19-0011
Germany	0130-0010
Gibraltar■	8000
Greece●	00-800-1311
Hungary●	00◆800-01111
Iceland●	800 9001
Ireland	1-800-550-000
Italy●	172-1011
Lithuania✖	8◆196
Luxembourg	0-800-0111
Macedonia, F.Y.R.●○	99-800-4288
Monaco●	19-0011
Netherlands●	06-022-9111
Norway	800-190-11
Poland●▲	0◆0-800-111-1111
Portugal▲	05017-1-288
Romania●	01-800-4288
Russia●▲(Moscow)◗	755-5042
Slovak Rep.●▲	00-42-000-101
Spain◇	900-99-00-11
Sweden	020-795-611
Switzerland●	0-800-550011
Turkey●	00-800-12277
Ukraine▲	8◆100-11
United Kingdom▲	0800-89-0011

MIDDLE EAST

Bahrain■	800-001
Cyprus●■	080-90010
Egypt●(Cairo)✝	510-0200
Israel	177-100-2727
Jordan■	18 800 000
Kuwait■	800-288
Lebanon (Beirut)✝+■	426-801
Qatar■	0800-011-77
Saudi Arabia◇	1-800-10
Syria	0-801
U. Arab Emirates●■	800-121

AFRICA

Gabon●	00◆001
Gambia●	00111
Ghana	0191
Ivory Coast●	00-111-11
Kenya▲	0800-10
Liberia	797-797
Morocco■	002-11-0011
Sierra Leone	1180
South Africa	0-800-99-0123
Zambia✖	00-899
Zimbabwe▲	110-899

AMERICA

Argentina✖	001-800-200-1111
Bolivia●	0-800-1112
Brazil	000-8010
Canada■	1-800-225-5288
Chile	800-800-311
Colombia	980-11-8016
Costa Rica●■	0-800-0-114-114
Ecuador●▲	999-119
El Salvador○■	800-1785
Guatemala○	190
Mexico▽■	95-800-462-4240
Nicaragua✖	174
Panama●■	109
Peru▲■	171
Venezuela●■	800-11-120

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